

110TH CONGRESS  
2D SESSION

# H. R. 6779

To provide for secure rural schools and counties, and State enhanced authority for coastal and ocean resources, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

AUGUST 1, 2008

Mr. WALDEN of Oregon (for himself, Mr. BISHOP of Utah, Mrs. MYRICK, Mrs. DRAKE, Mr. PETERSON of Pennsylvania, Mr. BONNER, Mr. BOOZMAN, Mr. BROWN of South Carolina, Mrs. CUBIN, Mr. DOOLITTLE, Mrs. EMERSON, Ms. FALLIN, Mr. FORTUÑO, Mr. GOHMERT, Mr. HASTINGS of Washington, Mr. HELLER of Nevada, Mr. HERGER, Mr. LAMBORN, Mr. DANIEL E. LUNGREN of California, Mr. NUNES, Mr. PICKERING, Mr. RADANOVICH, Mr. REHBERG, Mrs. McMORRIS RODGERS, Mr. ROGERS of Alabama, Mr. SALL, Mr. SESSIONS, Mr. SIMPSON, Mr. TANCREDO, Mr. WAMP, Mrs. WILSON of New Mexico, Mr. WITTMAN of Virginia, Mr. PEARCE, Mr. YOUNG of Alaska, and Mr. RENZI) introduced the following bill; which was referred to the Committee on Natural Resources, and in addition to the Committees on Energy and Commerce, Agriculture, the Judiciary, Education and Labor, and Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To provide for secure rural schools and counties, and State enhanced authority for coastal and ocean resources, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 (a) SHORT TITLE.—This Act may be cited as the  
 3 “Security and Energy for America Act of 2008”, or the  
 4 “SEA Act of 2008”.

5 (b) TABLE OF CONTENTS.—The table of contents for  
 6 this Act is as follows:

Sec. 1. Short title.

**TITLE I—SECURE RURAL SCHOOLS AND COUNTIES**

Sec. 101. Short title.

Sec. 102. Funding for payments in lieu of taxes.

Sec. 103. Transitional payments to States and counties previously entitled to  
 payments under Secure Rural Schools and Community Self-Determination Act of 2000.

Sec. 104. Special requirements regarding transition payments to certain States.

Sec. 105. Sense of Congress on distribution of secure rural schools transition  
 payments to eligible counties.

**TITLE II—STATE ENHANCED AUTHORITY FOR COASTAL AND  
 OCEAN RESOURCES**

Sec. 201. Short title.

Sec. 202. Findings.

Sec. 203. Definitions under the Submerged Lands Act.

Sec. 204. Seaward boundaries of States.

Sec. 205. Exceptions from confirmation and establishment of States’ title,  
 power, and rights.

Sec. 206. Definitions under the Outer Continental Shelf Lands Act.

Sec. 207. Determination of Adjacent Zones and Planning Areas.

Sec. 208. Administration of leasing.

Sec. 209. Grant of leases by Secretary.

Sec. 210. Disposition of receipts.

Sec. 211. Review of outer Continental Shelf exploration plans.

Sec. 212. Reservation of lands and rights.

Sec. 213. Outer Continental Shelf leasing program.

Sec. 214. Coordination with Adjacent States.

Sec. 215. Environmental studies.

Sec. 216. Review of outer Continental Shelf development and production plans.

Sec. 217. Federal Energy Natural Resources Enhancement Fund Act of 2008.

Sec. 218. Termination of effect of laws prohibiting the spending of appro-  
 priated funds for certain purposes.

Sec. 219. Outer Continental Shelf incompatible use.

Sec. 220. Repurchase of certain leases.

Sec. 221. Offsite environmental mitigation.

Sec. 222. Regulation of onshore surface-disturbing activities.

Sec. 223. Renaming of Minerals Management Service.

- Sec. 224. Authority to use decommissioned offshore oil and gas platforms and other facilities for artificial reef, scientific research, or other uses.
- Sec. 225. Mining and petroleum schools.
- Sec. 226. OCS regional headquarters.
- Sec. 227. Freedom Fuels Act.
- Sec. 228. Coastal impact assistance.
- Sec. 229. Oil shale and tar sands amendments.
- Sec. 230. Buy and build American.
- Sec. 231. Repeal of the Gulf of Mexico Energy Security Act of 2006.
- Sec. 232. Royalty-in-kind.
- Sec. 233. Mandatory issuance of regulations promoting production of natural gas from gas hydrates.
- Sec. 234. Mandatory issuance of regulations promoting enhanced oil and natural gas production through carbon dioxide injection.
- Sec. 235. Conservation of resources fee for future onshore nonproducing oil and gas leases.
- Sec. 236. Outer Continental Shelf conservation of living and nonliving resources fee on liquid fuels.
- Sec. 237. Outer Continental Shelf discharges and emissions.
- Sec. 238. OCS joint permitting offices.
- Sec. 239. Application of section 307 of the Coastal Zone Management Act of 1972.
- Sec. 240. Oil spill response plans.
- Sec. 241. Clean Air Act and Clean Water Act.
- Sec. 242. Resource assessments.

# 1           **TITLE I—SECURE RURAL**

# 2           **SCHOOLS AND COUNTIES**

## 3   **SEC. 101. SHORT TITLE.**

4           This title may be cited as the “Secure Rural Schools

5   and Counties Act of 2008”.

## 6   **SEC. 102. FUNDING FOR PAYMENTS IN LIEU OF TAXES.**

7           (a) IN GENERAL.—Section 6906 of title 31, United

8   States Code, is amended to read as follows:

### 9   **“§ 6906. Funding**

10          “(a) GENERAL RULE.—Necessary amounts may be

11   appropriated to the Secretary of the Interior to carry out

12   this chapter. Except as provided in subsection (b) and sec-

tion 6908 of this title, amounts are available only as provided in appropriation laws.

“(b) TRANSITION TO FULL FUNDING.—Amounts necessary to carry out under this chapter shall be made available to the Secretary of the Interior, out of any funds in the Treasury not otherwise appropriated and without further appropriation, for obligation or expenditure in accordance with this chapter as follows:

“(1) For fiscal year 2009, 90 percent of the authorized payment amounts calculated for that fiscal year under the payment formulas contained in sections 6903, 6904, and 6905 of this title.

“(2) For fiscal year 2010, 90 percent of the authorized payment amounts calculated for that fiscal year under the payment formulas contained in such sections.

“(3) For fiscal years 2011, 2012, and 2013, 100 percent of the authorized payment amounts calculated for the applicable fiscal year under the payment formulas contained in such sections.

“(c) RELATION TO SECURE RURAL SCHOOLS TRANSITION PAYMENTS.—In this section, the term ‘chapter’ does not include section 6908 of this title. Subsection (g) of such section provides for the funding of secure rural schools transition payments under such section.”.

1 (b) CONFORMING AMENDMENT.—The table of sec-  
 2 tions for chapter 69 of title 31, United States Code, is  
 3 amended by striking the item relating to section 6906 and  
 4 inserting the following new item:

“6906. Funding.”.

5 **SEC. 103. TRANSITIONAL PAYMENTS TO STATES AND COUN-**  
 6 **TIES PREVIOUSLY ENTITLED TO PAYMENTS**  
 7 **UNDER SECURE RURAL SCHOOLS AND COM-**  
 8 **MUNITY SELF-DETERMINATION ACT OF 2000.**

9 (a) TRANSITIONAL PAYMENTS.—Chapter 69 of title  
 10 31, United States Code, is amended by adding at the end  
 11 the following new section:

12 **“SEC. 6908. SECURE RURAL SCHOOLS TRANSITION PAY-**  
 13 **MENTS.**

14 “(a) DEFINITIONS.—In this section:

15 “(1) ADJUSTED SHARE.—The term ‘adjusted  
 16 share’ means the number equal to the quotient ob-  
 17 tained by dividing—

18 “(A) the number equal to the quotient ob-  
 19 tained by dividing—

20 “(i) the base share for the eligible  
 21 county; by

22 “(ii) the income adjustment for the el-  
 23 igible county; by

1           “(B) the number equal to the sum of the  
2           quotients obtained under subparagraph (A) and  
3           paragraph (8)(A) for all eligible counties.

4           “(2) BASE SHARE.—The term ‘base share’  
5           means the number equal to the average of—

6           “(A) the quotient obtained by dividing—

7           “(i) the number of acres of Federal  
8           land described in paragraph (7)(A) in each  
9           eligible county; by

10           “(ii) the total number acres of Fed-  
11           eral land in all eligible counties in all eligi-  
12           ble States; and

13           “(B) the quotient obtained by dividing—

14           “(i) the amount equal to the average  
15           of the 3 highest 25-percent payments and  
16           safety net payments made to each eligible  
17           State for each eligible county during the  
18           eligibility period; by

19           “(ii) the amount equal to the sum of  
20           the amounts calculated under clause (i)  
21           and paragraph (9)(B)(i) for all eligible  
22           counties in all eligible States during the  
23           eligibility period.

1           “(3) COUNTY PAYMENT.—The term ‘county  
2           payment’ means the payment for an eligible county  
3           calculated under subsection (c).

4           “(4) ELIGIBLE COUNTY.—The term ‘eligible  
5           county’ means any county that—

6                   “(A) contains Federal land; and

7                   “(B) elects to receive a share of the State  
8           payment or the county payment under sub-  
9           section (f).

10          “(5) ELIGIBILITY PERIOD.—The term ‘eligi-  
11       bility period’ means fiscal year 1986 through fiscal  
12       year 1999.

13          “(6) ELIGIBLE STATE.—The term ‘eligible  
14       State’ means a State or territory of the United  
15       States that received a 25-percent payment for 1 or  
16       more fiscal years of the eligibility period.

17          “(7) FEDERAL LAND.—The term ‘Federal land’  
18       means—

19               “(A) land within the National Forest Sys-  
20       tem, as defined in section 11(a) of the Forest  
21       and Rangeland Renewable Resources Planning  
22       Act of 1974 (16 U.S.C. 1609(a)) exclusive of  
23       the National Grasslands and land utilization  
24       projects designated as National Grasslands ad-

1 ministered pursuant to the Act of July 22,  
2 1937 (7 U.S.C. 1010–1012); and

3 “(B) such portions of the revested Oregon  
4 and California Railroad and reconveyed Coos  
5 Bay Wagon Road grant land as are or may  
6 hereafter come under the jurisdiction of the De-  
7 partment of the Interior, which have heretofore  
8 or may hereafter be classified as timberlands,  
9 and power-site land valuable for timber, that  
10 shall be managed, except as provided in the  
11 former section 3 of the Act of August 28, 1937  
12 (50 Stat. 875; 43 U.S.C. 1181c), for permanent  
13 forest production.

14 “(8) 50-PERCENT ADJUSTED SHARE.—The  
15 term ‘50-percent adjusted share’ means the number  
16 equal to the quotient obtained by dividing—

17 “(A) the number equal to the quotient ob-  
18 tained by dividing—

19 “(i) the 50-percent base share for the  
20 eligible county; by

21 “(ii) the income adjustment for the el-  
22 igible county; by

23 “(B) the number equal to the sum of the  
24 quotients obtained under subparagraph (A) and  
25 paragraph (1)(A) for all eligible counties.



1           “(9) 50-PERCENT BASE SHARE.—The term ‘50-  
2       percent base share’ means the number equal to the  
3       average of—

4           “(A) the quotient obtained by dividing—

5           “(i) the number of acres of Federal  
6       land described in paragraph (7)(B) in each  
7       eligible county; by

8           “(ii) the total number acres of Fed-  
9       eral land in all eligible counties in all eligi-  
10      ble States; and

11          “(B) the quotient obtained by dividing—

12          “(i) the amount equal to the average  
13      of the 3 highest 50-percent payments made  
14      to each eligible county during the eligibility  
15      period; by

16          “(ii) the amount equal to the sum of  
17      the amounts calculated under clause (i)  
18      and paragraph (2)(B)(i) for all eligible  
19      counties in all eligible States during the  
20      eligibility period.

21          “(10) 50-PERCENT PAYMENT.—The term ‘50-  
22      percent payment’ means the payment that is the  
23      sum of the 50-percent share otherwise paid to a  
24      county pursuant to title II of the Act of August 28,  
25      1937 (chapter 876; 50 Stat. 875; 43 U.S.C. 1181f),

1 and the payment made to a county pursuant to the  
2 Act of May 24, 1939 (chapter 144; 53 Stat. 753; 43  
3 U.S.C. 1181f–1 et seq.).

4 “(11) FULL FUNDING AMOUNT.—The term ‘full  
5 funding amount’ means—

6 “(A) \$520,000,000 for fiscal year 2008;  
7 and

8 “(B) for fiscal years 2009, 2010, 2011,  
9 and 2012, the amount that is equal to 90 per-  
10 cent of the full funding amount for the pre-  
11 ceding fiscal year.

12 “(12) INCOME ADJUSTMENT.—The term ‘in-  
13 come adjustment’ means the square of the quotient  
14 obtained by dividing—

15 “(A) the per capita personal income for  
16 each eligible county; by

17 “(B) the median per capita personal in-  
18 come of all eligible counties.

19 “(13) PER CAPITA PERSONAL INCOME.—The  
20 term ‘per capita personal income’ means the most  
21 recent per capita personal income data, as deter-  
22 mined by the Bureau of Economic Analysis.

23 “(14) SAFETY NET PAYMENTS.—The term  
24 ‘safety net payments’ means the special payment  
25 amounts paid to States and counties required by

1 section 13982 or 13983 of the Omnibus Budget  
2 Reconciliation Act of 1993 (Public Law 103–66; 16  
3 U.S.C. 500 note; 43 U.S.C. 1181f note).

4 “(15) SECRETARY CONCERNED.—The term  
5 ‘Secretary concerned’ means—

6 “(A) the Secretary of Agriculture or the  
7 designee of the Secretary of Agriculture with  
8 respect to the Federal land described in para-  
9 graph (7)(A); and

10 “(B) the Secretary of the Interior or the  
11 designee of the Secretary of the Interior with  
12 respect to the Federal land described in para-  
13 graph (7)(B).

14 “(16) STATE PAYMENT.—The term ‘State pay-  
15 ment’ means the payment for an eligible State cal-  
16 culated under subsection (b).

17 “(17) 25-PERCENT PAYMENT.—The term ‘25-  
18 percent payment’ means the payment to States re-  
19 quired by the sixth paragraph under the heading of  
20 ‘forest service’ in the Act of May 23, 1908 (35 Stat.  
21 260; 16 U.S.C. 500), and section 13 of the Act of  
22 March 1, 1911 (36 Stat. 963; 16 U.S.C. 500).

23 “(b) CALCULATION OF STATE PAYMENT AMOUNT.—  
24 For each of fiscal years 2008 through 2012, the Secretary  
25 of Agriculture shall calculate for each eligible State an

1 amount equal to the sum of the products obtained by mul-  
 2 tiplying—

3 “(1) the adjusted share for each eligible county  
 4 within the eligible State; by

5 “(2) the full funding amount for the fiscal year.

6 “(c) CALCULATION OF COUNTY PAYMENT  
 7 AMOUNT.—For each of fiscal years 2008 through 2012,  
 8 the Secretary of the Interior shall calculate for each eligi-  
 9 ble county that received a 50-percent payment during the  
 10 eligibility period an amount equal to the product obtained  
 11 by multiplying—

12 “(1) the 50-percent adjusted share for the eligi-  
 13 ble county; by

14 “(2) the full funding amount for the fiscal year.

15 “(d) PAYMENT AMOUNTS FOR ELIGIBLE STATES.—  
 16 From funds made available under subsection (g), the Sec-  
 17 retary of the Treasury shall pay to each eligible State an  
 18 amount equal to the sum of the amounts elected under  
 19 subsection (f) by each county within the eligible State  
 20 for—

21 “(1) if the county is eligible for the 25-percent  
 22 payment, the share of the 25-percent payment; or

23 “(2) the share of the State payment of the eli-  
 24 gible county.

1       “(e) PAYMENT AMOUNTS FOR ELIGIBLE COUN-  
2 TIES.—From funds made available under subsection (g),  
3 the Secretary of the Treasury shall pay to each eligible  
4 county an amount equal to the amount elected under sub-  
5 section (f) by the county for—

6               “(1) if the county is eligible for the 50-percent  
7 payment, the 50-percent payment; or

8               “(2) the county payment for the eligible county.

9       “(f) ELECTION TO RECEIVE PAYMENT AMOUNT.—

10               “(1) ELECTION; SUBMISSION OF RESULTS.—

11                       “(A) IN GENERAL.—The election to receive  
12 a share of the State payment, the county pay-  
13 ment, a share of the State payment and the  
14 county payment, a share of the 25-percent pay-  
15 ment, the 50-percent payment, or a share of the  
16 25-percent payment and the 50-percent pay-  
17 ment, as applicable, shall be made at the discre-  
18 tion of each affected county by August 1, 2008,  
19 and thereafter in accordance with paragraph  
20 (2)(A), and transmitted to the Secretary con-  
21 cerned by the Governor of each eligible State.

22                       “(B) FAILURE TO TRANSMIT.—If an elec-  
23 tion for an affected county is not transmitted to  
24 the Secretary concerned by the date specified  
25 under subparagraph (A), the affected county

1           shall be considered to have elected to receive a  
2           share of the State payment, the county pay-  
3           ment, or a share of the State payment and the  
4           county payment, as applicable.

5           “(2) DURATION OF ELECTIONS.—A county elec-  
6           tion to receive a share of the 25-percent payment or  
7           the 50-percent payment, as applicable, shall be effec-  
8           tive for 2 fiscal years. A county election to receive  
9           a share of the State payment or a county payment  
10          or a transition payment pursuant to section 104 of  
11          the Secure Rural Schools and Counties Act of 2008  
12          for a fiscal year before fiscal year 2011 shall be ef-  
13          fective through fiscal year 2010.

14          “(g) SOURCE OF PAYMENT AMOUNTS.—The pay-  
15          ment to an eligible State or eligible county under this sec-  
16          tion for a fiscal year shall be derived, without further ap-  
17          propriation, from—

18                 “(1) any revenues, fees, penalties, or miscella-  
19                 neous receipts, exclusive of deposits to any relevant  
20                 trust fund, special account, or permanent operating  
21                 funds, received by the Federal Government from ac-  
22                 tivities by the Bureau of Land Management or the  
23                 Forest Service on the applicable Federal land; and

24                 “(2) to the extent of any shortfall in the  
25                 amounts described in paragraph (1), out of any

1 amounts in the Treasury of the United States not  
2 otherwise appropriated.

3 “(h) DISTRIBUTION AND EXPENDITURE OF PAY-  
4 MENTS.—

5 “(1) DISTRIBUTION METHOD.—A State that re-  
6 ceives a payment under this section shall distribute  
7 the appropriate payment amount among the appro-  
8 priate counties in the State in accordance with—

9 “(A) the Act of May 23, 1908 (16 U.S.C.  
10 500); and

11 “(B) section 13 of the Act of March 1,  
12 1911 (36 Stat. 963; 16 U.S.C. 500).

13 “(2) EXPENDITURE PURPOSES.—Subject to  
14 paragraph (3), payments received by a State under  
15 this section and distributed to counties in accord-  
16 ance with paragraph (1), and payments received di-  
17 rectly by an eligible county under this section, shall  
18 be expended in the same manner in which 25-per-  
19 cent payments or 50-percent payments, as applica-  
20 ble, are required to be expended.

21 “(3) RESERVATION OF PORTION OF PAY-  
22 MENTS.—Each eligible county receiving a payment  
23 under this section or a portion of a State’s payment  
24 under this section shall reserve not less than 15 per-  
25 cent of the amount received for expenditure in ac-

1 cordance with titles II and III of the Secure Rural  
 2 Schools and Community Self-Determination Act of  
 3 2000 (16 U.S.C. 500 note; Public Law 106–393).

4 “(i) TIME FOR PAYMENT.—The payments required  
 5 under this section for a fiscal year shall be made as soon  
 6 as practicable after the end of that fiscal year.”.

7 (b) CLERICAL AMENDMENT.—The table of sections  
 8 at the beginning of chapter 69 of title 31, United States  
 9 Code, is amended by adding at the end the following new  
 10 item:

“Sec. 6908. Secure rural schools transition payments.”.

11 (c) EXTENSION OF TITLES II AND III OF SECURE  
 12 RURAL SCHOOLS AND COMMUNITY SELF-DETERMINA-  
 13 TION ACT OF 2000.—

14 (1) EXTENSION.—The Secure Rural Schools  
 15 and Community Self-Determination Act of 2000 (16  
 16 U.S.C. 500 note; Public Law 106–393) is amend-  
 17 ed—

18 (A) in sections 203(a), 207(a), 208, and  
 19 303 by striking “2007” and inserting “2012”;

20 (B) in section 204(e)(3)(B)(vi), by striking  
 21 “fiscal year 2007” and inserting “fiscal years  
 22 2007 through 2012”; and

23 (C) in sections 208 and 303, by striking  
 24 “2008” and inserting “2013”.



1 (2) DEFINITION OF PARTICIPATING COUNTY.—

2 The Secure Rural Schools and Community Self-De-  
3 termination Act of 2000 is amended—

4 (A) in section 201(1), by inserting before  
5 the period the following: “or that is required to  
6 reserve funds under section 6908(h)(3) of title  
7 31, United States Code, or section 104(e) of  
8 the Secure Rural Schools and Counties Act of  
9 2008”; and

10 (B) in section 301(1), by inserting before  
11 the period the following: “or that is required to  
12 reserve funds under section 6908(h)(3) of title  
13 31, United States Code, or section 104(e) of  
14 the Secure Rural Schools and Counties Act of  
15 2008”.

16 (3) DEFINITION OF PROJECT FUNDS.—The Se-  
17 cure Rural Schools and Community Self-Determina-  
18 tion Act of 2000 is amended—

19 (A) in section 201(2), by inserting before  
20 the period the following: “or reserves under sec-  
21 tion 6908(h)(3) of title 31, United States Code,  
22 or section 104(e) of the Secure Rural Schools  
23 and Counties Act of 2008 for expenditure in ac-  
24 cordance with this title”; and

(B) in section 301(2), by inserting before the period the following: “or reserves under section 6908(h)(3) of title 31, United States Code, or section 104(e) of the Secure Rural Schools and Counties Act of 2008 for expenditure in accordance with this title”.

**SEC. 104. SPECIAL REQUIREMENTS REGARDING TRANSITION PAYMENTS TO CERTAIN STATES.**

(a) DEFINITIONS.—In this section:

(1) ADJUSTED AMOUNT.—The term “adjusted amount” means, with respect to a covered State—

(A) for fiscal year 2008—

(i) the sum of the amounts paid for fiscal year 2006 under section 102(a)(2) of the Secure Rural Schools and Community Self-Determination Act of 2000 (16 U.S.C. 500 note; Public Law 106–393), as in effect on September 29, 2006, for the eligible counties in the covered State that have elected under section 6908 of title 31, United States Code, as added by section 103 of this Act, to receive a share of the State payment for fiscal year 2008; and

(ii) the sum of the amounts paid for fiscal year 2006 under section 103(a)(2)

1 Secure Rural Schools and Community Self-  
2 Determination Act of 2000 (16 U.S.C. 500  
3 note; Public Law 106–393), as in effect on  
4 September 29, 2006, for the eligible coun-  
5 ties in the State of Oregon that have elect-  
6 ed under section 6908 of title 31, United  
7 States Code, as added by section 103 of  
8 this Act, to receive the county payment for  
9 fiscal year 2008;

10 (B) for fiscal year 2009, 90 percent of—

11 (i) the sum of the amounts paid for  
12 fiscal year 2006 under such section  
13 102(a)(2) for the eligible counties in the  
14 covered State that have elected under such  
15 section 6908 to receive a share of the  
16 State payment for fiscal year 2009; and

17 (ii) the sum of the amounts paid for  
18 fiscal year 2006 under such section  
19 103(a)(2) for the eligible counties in the  
20 State of Oregon that have elected under  
21 such section 6908 to receive the county  
22 payment for fiscal year 2009;

23 (C) for fiscal year 2010, 81 percent of—

24 (i) the sum of the amounts paid for  
25 fiscal year 2006 under such section

1           102(a)(2) for the eligible counties in the  
2           covered State that have elected under such  
3           section 6908 to receive a share of the  
4           State payment for fiscal year 2010; and

5           (ii) the sum of the amounts paid for  
6           fiscal year 2006 under such section  
7           103(a)(2) for the eligible counties in the  
8           State of Oregon that have elected under  
9           such section 6908 to receive the county  
10          payment for fiscal year 2010; and

11          (D) for each of fiscal years 2011 and  
12          2012, 73 percent of—

13           (i) the sum of the amounts paid for  
14           fiscal year 2006 under such section  
15           102(a)(2) for the eligible counties in the  
16           covered State that have elected under such  
17           section 6908 to receive a share of the  
18           State payment for fiscal year 2011 or  
19           2012; and

20           (ii) the sum of the amounts paid for  
21           fiscal year 2006 under such section  
22           103(a)(2) for the eligible counties in the  
23           State of Oregon that have elected under  
24           such section 6908 to receive the county  
25           payment for fiscal year 2011 or 2012.

1           (2) COVERED STATE.—The term “covered  
2       State” means each of the States of California, Lou-  
3       isiana, Oregon, Pennsylvania, South Carolina, South  
4       Dakota, Texas, and Washington.

5           (3) ELIGIBLE COUNTY.—The term “eligible  
6       county” has the meaning given that term in section  
7       6908 of title 31, United States Code, as added by  
8       section 103 of this Act.

9       (b) TRANSITION PAYMENTS.—At the election of each  
10      covered State and eligible counties within the covered  
11      State, for each of fiscal years 2008 through 2012, in lieu  
12      of the payment amounts that otherwise would have been  
13      made under section 6908 of title 31, United States Code,  
14      as added by section 103 of this Act, the Secretary of the  
15      Treasury, using amounts made available under subsection  
16      (g) of such section 6908, shall pay the adjusted amount  
17      to each covered State and the eligible counties within the  
18      covered State, as applicable.

19      (c) DISTRIBUTION OF PAYMENTS IN CALIFORNIA.—  
20      The following payments shall be distributed among the eli-  
21      gible counties in the State of California in the same pro-  
22      portion that payments under section 102(a)(2) of the Se-  
23      cure Rural Schools and Community Self-Determination  
24      Act of 2000 (16 U.S.C. 500 note; Public Law 106–393),

1 as in effect on September 29, 2006, were distributed to  
2 those eligible counties for fiscal year 2006:

3 (1) Payments to the State of California under  
4 subsection (b).

5 (2) The shares of the eligible counties of the  
6 State payment for California under section 6908 of  
7 title 31, United States Code, as added by section  
8 103 of this Act, for fiscal year 2012.

9 (d) TREATMENT OF PAYMENTS.—Any payment made  
10 under subsection (b) shall be considered to be a payment  
11 made under section 6908 of title 31, United States Code,  
12 as added by section 103 of this Act, except that each eligi-  
13 ble county receiving a payment under such subsection or  
14 a portion of such payment under subsection (c) or (d) shall  
15 reserve not less than 15 percent of the amount received  
16 for expenditure in accordance with titles II and III of the  
17 Secure Rural Schools and Community Self-Determination  
18 Act of 2000 (16 U.S.C. 500 note; Public Law 106–393),  
19 as required by subsection (h)(3) of such section 6908.

20 **SEC. 105. SENSE OF CONGRESS ON DISTRIBUTION OF SE-**  
21 **CURE RURAL SCHOOLS TRANSITION PAY-**  
22 **MENTS TO ELIGIBLE COUNTIES.**

23 It is the sense of Congress that amounts made avail-  
24 able by a State to an eligible county under section 6908  
25 of title 31, United States Code, as added by section 103

1 of this Act, or under section 104 of this Act to support  
2 public schools in that county should be in addition to, and  
3 not in lieu of, general funds of the State made available  
4 to support public schools in that county, and that the  
5 State should not adjust education funding allocations to  
6 reflect the receipt of amounts under such section 6908 or  
7 section 104.

8 **TITLE II—STATE ENHANCED AU-**  
9 **THORITY FOR COASTAL AND**  
10 **OCEAN RESOURCES**

11 **SEC. 201. SHORT TITLE.**

12 This title may be cited as the “State Enhanced Au-  
13 thority for Coastal and Ocean Resources Act of 2008”,  
14 or “SEACOR”.

15 **SEC. 202. FINDINGS.**

16 The Congress finds that—

17 (1) the United States is blessed with abundant  
18 energy resources on the outer Continental Shelf and  
19 has developed a comprehensive framework of envi-  
20 ronmental laws and regulations and fostered the de-  
21 velopment of state-of-the-art technology that allows  
22 for the responsible development of these resources  
23 for the benefit of its citizenry;

24 (2) adjacent States are required by the cir-  
25 cumstances to commit significant resources in sup-

1 port of exploration, development, and production ac-  
2 tivities for mineral resources on the outer Conti-  
3 nental Shelf, and it is fair and proper for a portion  
4 of the receipts from such activities to be shared with  
5 Adjacent States and their local coastal governments;

6 (3) the existing laws governing the leasing and  
7 production of the mineral resources of the outer  
8 Continental Shelf have reduced the production of  
9 mineral resources, have preempted Adjacent States  
10 from being sufficiently involved in the decisions re-  
11 garding the allowance of mineral resource develop-  
12 ment, and have been harmful to the national inter-  
13 est;

14 (4) the national interest is served by granting  
15 the Adjacent States more options related to whether  
16 or not mineral leasing should occur in the outer  
17 Continental Shelf within their Adjacent Zones;

18 (5) it is not reasonably foreseeable that explo-  
19 ration of a leased tract located more than 25 miles  
20 seaward of the coastline, development and produc-  
21 tion of a natural gas discovery located more than 25  
22 miles seaward of the coastline, or development and  
23 production of an oil discovery located more than 50  
24 miles seaward of the coastline will adversely affect  
25 resources near the coastline;



1           (6) transportation of oil from a leased tract  
2           might reasonably be foreseen, under limited cir-  
3           cumstances, to have the potential to adversely affect  
4           resources near the coastline if the oil is within 50  
5           miles of the coastline, but such potential to adversely  
6           affect such resources is likely no greater, and prob-  
7           ably less, than the potential impacts from tanker  
8           transportation because tanker spills usually involve  
9           large releases of oil over a brief period of time; and

10          (7) among other bodies of inland waters, the  
11          Great Lakes, Long Island Sound, Delaware Bay,  
12          Chesapeake Bay, Albemarle Sound, San Francisco  
13          Bay, and Puget Sound are not part of the outer  
14          Continental Shelf, and are not subject to leasing by  
15          the Federal Government for the exploration, develop-  
16          ment, and production of any mineral resources that  
17          might lie beneath them.

18 **SEC. 203. DEFINITIONS UNDER THE SUBMERGED LANDS**

19 **ACT.**

20          Section 2 of the Submerged Lands Act (43 U.S.C.  
21 1301) is amended—

22               (1) in subparagraph (2) of paragraph (a) by  
23               striking all after “seaward to a line” and inserting  
24               “twelve nautical miles distant from the coast line;”;

1           (2) by striking paragraph (b) and redesignating  
2           the subsequent paragraphs in order as paragraphs  
3           (b) through (g);

4           (3) by striking the semicolon at the end of each  
5           paragraph and inserting a period; and

6           (4) by adding at the end the following:

7           “(i) The term ‘Secretary’ means the Secretary of the  
8           Interior.

9           “(j) The term ‘State’ has the meaning that term has  
10          in section 2(r) of the Outer Continental Shelf Lands Act  
11          (43 U.S.C. 1331(r)).”.

12       **SEC. 204. SEAWARD BOUNDARIES OF STATES.**

13          Section 4 of the Submerged Lands Act (43 U.S.C.  
14          1312) is amended—

15               (1) in the first sentence—

16                       (A) by striking “original”; and

17                       (B) by striking “three geographical” and  
18                       inserting “twelve nautical”; and

19               (2) by striking all after the first sentence and  
20               inserting the following: “Extension and delineation  
21               of lateral offshore State boundaries under this Act  
22               shall follow the lines used to determine the Adjacent  
23               Zones of coastal States under the Outer Continental  
24               Shelf Lands Act to the extent such lines extend

1 twelve nautical miles seaward from the nearest  
2 coastline.”.

3 **SEC. 205. EXCEPTIONS FROM CONFIRMATION AND ESTAB-**  
4 **LISHMENT OF STATES’ TITLE, POWER, AND**  
5 **RIGHTS.**

6 Section 5 of the Submerged Lands Act (43 U.S.C.  
7 1313) is amended—

8 (1) by redesignating paragraphs (a) through (c)  
9 in order as paragraphs (1) through (3);

10 (2) by inserting “(a)” before “There is ex-  
11 cepted”; and

12 (3) by adding at the end the following:

13 “(b) EXCEPTION OF OIL AND GAS MINERAL  
14 RIGHTS.—There is excepted from the operation of section  
15 3 all of the oil and gas mineral rights for lands beneath  
16 the navigable waters that are located within the extended  
17 offshore State seaward boundaries established under the  
18 second sentence of section 4. These oil and gas mineral  
19 rights shall remain Federal property and shall be consid-  
20 ered to be part of the Federal outer Continental Shelf for  
21 purposes of the Outer Continental Shelf Lands Act (43  
22 U.S.C. 1331 et seq.) and subject to leasing under the au-  
23 thority of that Act and to laws applicable to the leasing  
24 of the oil and gas resources of the Federal outer Conti-  
25 nental Shelf. All Federal oil and gas leases that are in

1 effect as of the date of the extension of offshore State sea-  
 2 ward boundaries under the second sentence of section 4  
 3 shall continue unchanged by the provisions of this Act, ex-  
 4 cept as otherwise provided in SEACOR. However, a State  
 5 may exercise all of its sovereign powers of taxation within  
 6 the entire extent of its seaward State boundaries.”.

7 **SEC. 206. DEFINITIONS UNDER THE OUTER CONTINENTAL**  
 8 **SHELF LANDS ACT.**

9 Section 2 of the Outer Continental Shelf Lands Act  
 10 (43 U.S.C. 1331) is amended—

11 (1) by amending paragraph (f) to read as fol-  
 12 lows:

13 “(f) The term ‘affected State’ means the Adjacent  
 14 State.”;

15 (2) by striking the semicolon at the end of each  
 16 of paragraphs (a) through (o) and inserting a pe-  
 17 riod;

18 (3) by striking “; and” at the end of paragraph  
 19 (p) and inserting a period;

20 (4) by adding at the end the following:

21 “(r) The term ‘Adjacent State’ means, with respect  
 22 to any program, plan, lease sale, leased tract or other ac-  
 23 tivity, proposed, conducted, or approved pursuant to the  
 24 provisions of this Act, any State the laws of which are  
 25 declared, pursuant to section 4(a)(2), to be the law of the

1 United States for the portion of the outer Continental  
2 Shelf on which such program, plan, lease sale, leased tract  
3 or activity appertains or is, or is proposed to be, con-  
4 ducted.

5 “(s) The term ‘State’ includes all States having a  
6 coastline contiguous to the Arctic, Atlantic, or Pacific  
7 Oceans, or the Gulf of Mexico, the Commonwealth of  
8 Puerto Rico, the Commonwealth of the Northern Mariana  
9 Islands, the Virgin Islands, American Samoa, Guam, the  
10 other territories of the United States, and the District of  
11 Columbia.

12 “(t) The term ‘Adjacent Zone’ means, with respect  
13 to any program, plan, lease sale, leased tract, or other ac-  
14 tivity, proposed, conducted, or approved pursuant to the  
15 provisions of this Act, the portion of the outer Continental  
16 Shelf for which the laws of a particular Adjacent State  
17 are declared, pursuant to section 4(a)(2), to be the law  
18 of the United States.

19 “(u) The term ‘miles’ means statute miles.

20 “(v) The term ‘coastline’ has the same meaning as  
21 the term ‘coast line’ as defined in section 2(c) of the Sub-  
22 merged Lands Act (43 U.S.C. 1301(c)).

23 “(w) The term ‘Neighboring State’ means a coastal  
24 State having a common boundary at the coastline with the  
25 Adjacent State.”; and

1           (5) in paragraph (a), by inserting after “con-  
 2       trol” the following: “or lying within the United  
 3       States’ Exclusive Economic Zone and outer Conti-  
 4       nental Shelf adjacent to the Commonwealth of Puer-  
 5       to Rico, the Commonwealth of the Northern Mar-  
 6       iana Islands, the Virgin Islands, American Samoa,  
 7       Guam, or any other territory of the United States”.

8       **SEC. 207. DETERMINATION OF ADJACENT ZONES AND**  
 9                               **PLANNING AREAS.**

10       Section 4(a)(2)(A) of the Outer Continental Shelf  
 11       Lands Act (43 U.S.C. 1333(a)(2)(A)) is amended in the  
 12       first sentence by striking “, and the President” and all  
 13       that follows through the end of the sentence and inserting  
 14       the following: “. The lines extending seaward and defining  
 15       each State’s Adjacent Zone, and each OCS Planning Area,  
 16       are as indicated on the maps for each outer Continental  
 17       Shelf region entitled ‘Alaska OCS Region State Adjacent  
 18       Zone and OCS Planning Areas’, ‘Pacific OCS Region  
 19       State Adjacent Zones and OCS Planning Areas’, ‘Gulf of  
 20       Mexico OCS Region State Adjacent Zones and OCS Plan-  
 21       ning Areas’, and ‘Atlantic OCS Region State Adjacent  
 22       Zones and OCS Planning Areas’, all of which are dated  
 23       September 2005 and on file in the Office of the Director,  
 24       Minerals Management Service. The Secretary shall des-  
 25       ignate the Adjacent Zones of States, and additional OCS

1 Planning Areas, for parts of the United States’ Exclusive  
2 Economic Zone and outer Continental Shelf not covered  
3 by those maps.”.

4 **SEC. 208. ADMINISTRATION OF LEASING.**

5 Section 5 of the Outer Continental Shelf Lands Act  
6 (43 U.S.C. 1334) is amended by adding at the end the  
7 following:

8 “(k) VOLUNTARY PARTIAL RELINQUISHMENT OF A  
9 LEASE.—Any lessee of a producing lease may relinquish  
10 to the Secretary any portion of a lease that the lessee has  
11 no interest in producing and that the Secretary finds is  
12 geologically prospective. In return for any such relinquish-  
13 ment, the Secretary shall provide to the lessee a royalty  
14 incentive for the portion of the lease retained by the lessee,  
15 in accordance with regulations promulgated by the Sec-  
16 retary to carry out this subsection. The Secretary shall  
17 publish final regulations implementing this subsection  
18 within 365 days after the date of the enactment of the  
19 State Enhanced Authority for Coastal and Ocean Re-  
20 sources Act of 2008.

21 “(l) NATURAL GAS LEASE REGULATIONS.—Not later  
22 than July 1, 2009, the Secretary shall publish a final regu-  
23 lation that shall—

24 “(1) establish procedures for entering into nat-  
25 ural gas leases;

1           “(2) ensure that natural gas leases are only  
2           available for tracts on the outer Continental Shelf  
3           that are wholly within 75 miles of the coastline with-  
4           in an area withdrawn from disposition by leasing on  
5           the day after the date of enactment of the State En-  
6           hanced Authority for Coastal and Ocean Resources  
7           Act of 2008;

8           “(3) provide that natural gas leases shall con-  
9           tain the same rights and obligations established for  
10          oil and gas leases, except as otherwise provided in  
11          the State Enhanced Authority for Coastal and  
12          Ocean Resources Act of 2008;

13          “(4) provide that, in reviewing the adequacy of  
14          bids for natural gas leases, the value of any crude  
15          oil estimated to be contained within any tract shall  
16          be excluded;

17          “(5) provide that any crude oil produced from  
18          a well and reinjected into the leased tract shall not  
19          be subject to payment of royalty, and that the Sec-  
20          retary shall consider, in setting the royalty rates for  
21          a natural gas lease, the additional cost to the lessee  
22          of not producing any crude oil; and

23          “(6) provide that any Federal law that applies  
24          to an oil and gas lease on the outer Continental



1 Shelf shall apply to a natural gas lease unless other-  
2 wise clearly inapplicable.”.

3 **SEC. 209. GRANT OF LEASES BY SECRETARY.**

4 Section 8 of the Outer Continental Shelf Lands Act  
5 (43 U.S.C. 1337) is amended—

6 (1) in subsection (a)(1) by inserting after the  
7 first sentence the following: “Further, the Secretary  
8 may grant natural gas leases in a manner similar to  
9 the granting of oil and gas leases and under the var-  
10 ious bidding systems available for oil and gas  
11 leases.”;

12 (2) by adding at the end of subsection (b) the  
13 following:

14 “The Secretary may issue more than one lease for a given  
15 tract if each lease applies to a separate and distinct range  
16 of vertical depths, horizontal surface area, or a combina-  
17 tion of the two. The Secretary may issue regulations that  
18 the Secretary determines are necessary to manage such  
19 leases consistent with the purposes of this Act.”;

20 (3) by amending subsection (p)(2)(B) to read  
21 as follows:

22 “(B) The Secretary shall provide for the  
23 payment to coastal States, and their local coast-  
24 al governments, of 50 percent of Federal re-  
25 cepts from projects authorized under this sec-

1           tion located within the area extending seaward  
2           of State submerged lands. Payments shall be  
3           based on a formula established by the Secretary  
4           by rulemaking no later than 180 days after the  
5           date of the enactment of the State Enhanced  
6           Authority for Coastal and Ocean Resources Act  
7           of 2008 that provides for equitable distribution  
8           among coastal States that have a coastline that  
9           is located within 200 miles of the geographic  
10          center of the project.”;

11          (4) by adding at the end the following:

12          “(q) NATURAL GAS LEASES.—

13                 “(1) RIGHT TO PRODUCE NATURAL GAS.—A  
14          lessee of a natural gas lease shall have the right to  
15          produce the natural gas from a field on a natural  
16          gas leased tract if the Secretary estimates that the  
17          discovered field has at least 40 percent of the tech-  
18          nically recoverable Btu content of the field contained  
19          within natural gas.

20                 “(2) CRUDE OIL.—A lessee of a natural gas  
21          lease may produce crude oil from the lease unless  
22          the Governor and the legislature of the Adjacent  
23          State object to such production within 180 days  
24          after written notice from the lessee of intent to  
25          produce crude oil from the lease. If the leased tract

1 is located within 50 miles of the nearest point on the  
2 coastline of a Neighboring State, the Governor and  
3 legislature of the Neighboring State shall also re-  
4 ceive such notice and have the right to object to  
5 such production within 180 days after receipt of  
6 such notice.

7 “(3) ESTIMATES OF BTU CONTENT.—The Sec-  
8 retary shall make estimates of the natural gas Btu  
9 content of discovered fields on a natural gas lease  
10 only after the completion of at least one exploration  
11 well, the data from which has been tied to the re-  
12 sults of a three-dimensional seismic survey of the  
13 field. The Secretary may not require the lessee to  
14 further delineate any discovered field prior to mak-  
15 ing such estimates.

16 “(4) TRANSPORTATION OF CRUDE OIL.—If an  
17 Adjacent State or any applicable Neighboring State  
18 does not object to production of crude oil from a  
19 natural gas lease tract, the lessee shall be permitted  
20 to transport the crude oil from the leased tract  
21 through the Adjacent State’s waters, and the Neigh-  
22 boring State’s waters if applicable, to facilities lo-  
23 cated onshore in the Adjacent State, and Neigh-  
24 boring State if applicable, unless the lessee agreed to

1 other arrangements with the Adjacent State or  
2 Neighboring State, or both.

3 “(5) REPURCHASE OF CERTAIN NATURAL GAS  
4 LEASES.—Upon request of the lessee and certifi-  
5 cation by the Secretary of the Interior that a natural  
6 gas lease tract contains all or part of a commercial  
7 oil and gas discovery that is not allowed to be pro-  
8 duced because it does not meet the standard set in  
9 paragraph (1), the Secretary of the Treasury shall  
10 repurchase the lease by issuance of a check or elec-  
11 tronic payment from OCS Receipts to the lessee in  
12 full compensation for the repurchase. The Secretary  
13 shall recoup from the State and local governments  
14 any funds previously shared with them that were de-  
15 rived from the repurchased lease. Such recoupment  
16 shall only be from the State and local governments’  
17 shares of OCS receipts that are payable after the  
18 date of repurchase.

19 “(6) AMOUNT OF COMPENSATION.—Repurchase  
20 compensation for each lease repurchased under the  
21 authority of this section shall be in the amount of  
22 the lesser of the original bonus bid paid for the lease  
23 or, if the lessee is not the original lessee, the com-  
24 pensation paid by the current lessee to obtain its in-  
25 terest in the lease. In addition, the lessee shall be

1 compensated for any expenses directly attributable  
2 to the lease that the lessee incurs after acquisition  
3 of its interest in the lease to be repurchased, includ-  
4 ing rentals, seismic acquisition costs, drilling costs,  
5 and other reasonable expenses under the lease, in-  
6 cluding expenses incurred in the repurchase process,  
7 to the extent that the lessee has not previously been  
8 compensated by the United States for such expenses.  
9 The lessee shall not be compensated for general  
10 overhead expenses or employee salaries.

11 “(7) PRIORITY RIGHT TO OBTAIN FUTURE OIL  
12 AND GAS LEASE.—The lessee, or a designee of the  
13 lessee, of a repurchased natural gas leased tract  
14 shall have the right to repurchase such lease as an  
15 oil and gas lease, on a noncompetitive basis, by re-  
16 paying the amount received by the lessee if the  
17 leased tract is made available for lease under an oil  
18 and gas lease within 30 years after the repurchase.

19 “(8) DEFINITION OF NATURAL GAS.—For pur-  
20 poses of a natural gas lease, the term ‘natural gas’  
21 means natural gas and all substances produced in  
22 association with gas, including, but not limited to,  
23 hydrocarbon liquids (other than crude oil) that are  
24 obtained by the condensation of hydrocarbon vapors

1       and that separate out in liquid form from the pro-  
2       duced gas stream.

3       “(r) REMOVAL OF RESTRICTIONS ON JOINT BIDDING  
4 IN CERTAIN AREAS OF THE OUTER CONTINENTAL  
5 SHELF.—Restrictions on joint bidders shall no longer  
6 apply to tracts determined to be ‘frontier tracts’ or other-  
7 wise ‘high cost tracts’ under final regulations that shall  
8 be published by the Secretary by not later than 365 days  
9 after the date of the enactment of the State Enhanced  
10 Authority for Coastal and Ocean Resources Act of 2008.

11       “(s) ROYALTY SUSPENSION PROVISIONS.—The Sec-  
12 retary shall agree to a request by any lessee to amend  
13 any lease issued for Central and Western Gulf of Mexico  
14 tracts during the period of December 1, 1995, through  
15 December 31, 2000, to incorporate price thresholds appli-  
16 cable to royalty suspension provisions, or amend existing  
17 price thresholds, in the amount of \$34.73 per barrel (Jan-  
18 uary 1, 2005, dollars) for oil and for natural gas of \$4.34  
19 per million Btu (January 1, 2005, dollars). Any royalties  
20 paid because of such new or revised price thresholds shall  
21 be treated as offsetting receipts. Any royalties paid under  
22 lease price thresholds agreed to after the date of enact-  
23 ment of the State Enhanced Authority for Coastal and  
24 Ocean Resources Act of 2008 shall be subject to imme-  
25 diate receipts sharing under section 9(b)(3).

1       “(t) MANDATORY PRICE THRESHOLDS FOR ROYALTY  
2 SUSPENSION VOLUMES.—Price thresholds shall apply to  
3 any royalty suspension volumes granted by the Secretary  
4 after the date of the enactment of the State Enhanced  
5 Authority for Coastal and Ocean Resources Act of 2008.  
6 Unless otherwise set by the Secretary by regulation or for  
7 a particular lease sale within the final notice of sale, the  
8 price thresholds shall be \$34.73 per barrel of oil (January  
9 1, 2005, dollars) and \$4.34 per million Btu of natural gas  
10 (January 1, 2005, dollars).

11       “(u) CONSERVATION OF RESOURCES FEES.—The  
12 Secretary shall establish a conservation of resources fee  
13 for nonproducing leases that will apply to all new leases  
14 issued after the date of enactment of the State Enhanced  
15 Authority for Coastal and Ocean Resources Act of 2008.  
16 The fee shall be initially set at \$1.00 per acre per year  
17 for the first year of a lease and shall increase by \$1 per  
18 acre per year until the fee reaches \$5.00 per acre per year  
19 and shall be paid each year until the lease enters produc-  
20 tion in paying quantities. The fee shall be treated as off-  
21 setting receipts. The sums generated by the fee shall not  
22 be subject to receipts sharing under section 9 and shall  
23 be transferred by the Secretary of the Interior to the  
24 Treasury with one-third allocated to the account estab-  
25 lished by section 217 of the State Enhanced Authority for

1 Coastal and Ocean Resources Act of 2008, one-third allo-  
2 cated to the account established by section 225 of the  
3 State Enhanced Authority for Coastal and Ocean Re-  
4 sources Act of 2008, and one-third allocated to the ac-  
5 count established by section 227 of the State Enhanced  
6 Authority for Coastal and Ocean Resources Act of 2008.

7       “(v) VOLUNTARY PRODUCING LEASE CONSERVATION  
8 OF RESOURCES FEES.—Not later than one year after the  
9 date of the enactment of SEACOR, the Secretary by regu-  
10 lation shall establish a voluntary conservation of resources  
11 fee for producing leases that will apply to Central and  
12 Western Gulf of Mexico leases issued for tracts during the  
13 period of December 1, 1995, through December 31, 2000,  
14 that are located in more than 200 meters of water and  
15 for which royalties are not due under the lease when prices  
16 exceed \$34.73 per barrel for oil and \$4.34 per million Btu  
17 for natural gas (January 1, 2005, dollars). The fee shall  
18 be set at \$9 per barrel for oil and \$1.25 per million Btu  
19 for gas. If the lessee agrees to pay the fee, it shall apply  
20 to production from and after October 1, 2008, for all such  
21 leases owned by the lessee and shall be treated as offset-  
22 ting receipts. Once the lessee agrees to pay the fee, it shall  
23 become a binding part of the lease and may not be re-  
24 scinded and shall only apply to any production volumes  
25 for which royalty does not apply. Any fees paid under this



1 clause shall be subject to immediate receipts sharing under  
2 section 9(b)(3).”;

3 (5) in subsection (a)(3) by striking subpara-  
4 graph (A) and redesignating the subsequent sub-  
5 paragraphs as subparagraphs (A) and (B), respec-  
6 tively;

7 (6) in subsection (a)(3)(A) (as so redesignated)  
8 by striking “In the Western” and all that follows  
9 through “the Secretary” the first place it appears  
10 and inserting “The Secretary”;

11 (7) effective October 1, 2008, in subsection  
12 (g)—

13 (A) by striking all after “(g)”, except para-  
14 graph (3);

15 (B) by striking the last sentence of para-  
16 graph (3); and

17 (C) by striking “(3)”; and

18 (8) by striking subsection (m).

19 **SEC. 210. DISPOSITION OF RECEIPTS.**

20 Section 9 of the Outer Continental Shelf Lands Act  
21 (43 U.S.C. 1338) is amended—

22 (1) by designating the existing text as sub-  
23 section (a);

1           (2) in subsection (a) (as so designated) by in-  
2       serting “, if not paid as otherwise provided in this  
3       title” after “receipts”; and

4           (3) by adding at the end the following:

5       “(b) TREATMENT OF OCS RECEIPTS.—

6           “(1) DEPOSIT.—The Secretary shall deposit  
7       into a separate account in the Treasury the portion  
8       of OCS Receipts for each fiscal year that will be  
9       shared under paragraphs (2), (3), and (4).

10       “(2) PHASED-IN RECEIPTS SHARING.—

11           “(A) Beginning October 1, 2008, the Sec-  
12       retary shall share OCS Receipts derived from  
13       lease tracts located completely beyond 4 marine  
14       leagues from any coastline in the following  
15       areas:

16           “(i) On portions of the Gulf of Mexico  
17       OCS Region that were available for leasing  
18       under the 2002 through 2007 5-Year OCS  
19       Oil and Gas Leasing Program.

20           “(ii) Lease tracts in production prior  
21       to October 1, 2008, located on portions of  
22       the OCS that were not available for leasing  
23       under the 2002 through 2007 5-Year OCS  
24       Oil and Gas Leasing Program.

1           “(iii) Lease tracts for which leases are  
2           issued prior to October 1, 2008, located in  
3           the Alaska OCS Region completely beyond  
4           4 marine leagues from any coastline.

5           “(B) The Secretary shall share the fol-  
6           lowing percentages of OCS Receipts from the  
7           lease tracts described in subparagraph (A) de-  
8           rived during the fiscal year indicated:

9                   “(i) For fiscal year 2009, 4 percent.

10                   “(ii) For fiscal year 2010, 5 percent.

11                   “(iii) For fiscal year 2011, 6 percent.

12                   “(iv) For fiscal year 2012, 7 percent.

13                   “(v) For fiscal year 2013, 8 percent.

14                   “(vi) For fiscal year 2014, 9 percent.

15                   “(vii) For fiscal year 2015, 10 per-  
16           cent.

17                   “(viii) For fiscal year 2016, 11 per-  
18           cent.

19                   “(ix) For fiscal year 2017, 12 percent.

20                   “(x) For fiscal year 2018 and each  
21           subsequent fiscal year, 50 percent.

22           “(C) This paragraph shall not apply to  
23           leases that could not have been issued but for  
24           section 5(k) of this Act or section 8(b) of this  
25           Act.

1           “(3) IMMEDIATE RECEIPTS SHARING.—Begin-  
2           ning October 1, 2008, the Secretary shall share 50  
3           percent of OCS Receipts derived from all lease  
4           tracts located completely beyond 4 marine leagues  
5           from any coastline not included within the provisions  
6           of paragraph (2), except that the Secretary shall  
7           only share 25 percent of such OCS Receipts derived  
8           from all such lease tracts within a State’s Adjacent  
9           Zone if leasing is not allowed within at least 25 per-  
10          cent of that State’s Adjacent Zone located com-  
11          pletely within 75 miles of any coastline.

12           “(4) RECEIPTS SHARING FROM TRACTS WITHIN  
13          4 MARINE LEAGUES OF ANY COASTLINE.—

14           “(A) AREAS DESCRIBED IN PARAGRAPH  
15          (2).—Beginning October 1, 2008, and con-  
16          tinuing through September 30, 2013, the Sec-  
17          retary shall share with the Adjacent State and  
18          its coastal political subdivisions 25 percent of  
19          OCS Receipts derived from all lease tracts lo-  
20          cated within 4 marine leagues from any coast-  
21          line within areas described in paragraph (2).  
22          For each fiscal year after September 30, 2013,  
23          the Secretary shall increase the percent shared  
24          in 2 percent increments each fiscal year until  
25          the sharing rate for all lease tracts located

1 within 4 marine leagues from any coastline  
2 within areas described in paragraph (2) be-  
3 comes 50 percent.

4 “(B) AREAS NOT DESCRIBED IN PARA-  
5 GRAPH (2).—Beginning October 1, 2008, the  
6 Secretary shall share with the Adjacent State  
7 and its coastal political subdivisions 50 percent  
8 of OCS receipts derived from all lease tracts lo-  
9 cated completely or partially within 4 marine  
10 leagues from any coastline within areas not de-  
11 scribed in paragraph (2).

12 “(C) TRANSMISSION OF FUNDS.—Trans-  
13 mission of funds shared under this paragraph  
14 shall be in accordance with subsection (c).

15 “(5) ALLOCATIONS.—The Secretary shall allo-  
16 cate the OCS Receipts deposited into the separate  
17 account established by paragraph (1) that are  
18 shared under paragraphs (2) and (3), as follows:

19 “(A) BONUS BIDS.—Deposits derived from  
20 bonus bids from a leased tract, including inter-  
21 est thereon, shall be allocated at the end of  
22 each fiscal year as follows:

23 “(i) 50 percent to the Adjacent State.

24 “(ii) 15 percent to all States, includ-  
25 ing the Adjacent State, having a coastline

1 point within 300 miles of the leased tract,  
2 divided equally, if such State allows leasing  
3 within at least 25 percent of its Adjacent  
4 Zone within 75 miles of the coastline.

5 “(iii) 5 percent into the Treasury,  
6 which shall be allocated to the account es-  
7 tablished by section 217 of the State En-  
8 hanced Authority for Coastal and Ocean  
9 Resources Act of 2008.

10 “(iv) 5 percent into the Treasury,  
11 which shall be allocated to the account es-  
12 tablished by section 225 of the State En-  
13 hanced Authority for Coastal and Ocean  
14 Resources Act of 2008.

15 “(v) 5 percent into the Treasury,  
16 which shall be allocated to the account es-  
17 tablished by section 227 of the State En-  
18 hanced Authority for Coastal and Ocean  
19 Resources Act of 2008.

20 “(vi) 5 percent to all States referred  
21 to in section 2(s) of this Act, the other  
22 States that have been admitted to the  
23 Union, and the District of Columbia, di-  
24 vided equally.

1 “(vii) 5 percent to all States referred  
2 to in section 2(s) of this Act, the other  
3 States that have been admitted to the  
4 Union, and the District of Columbia, di-  
5 vided based on the percentage of the total  
6 population of the United States that re-  
7 sides in each.

8 “(viii) 10 percent to the Low-Income  
9 Home Energy Assistance Program.

10 “(B) ROYALTIES.—Deposits derived from  
11 royalties and net profit shares from a leased  
12 tract, including interest thereon, shall be allo-  
13 cated at the end of each fiscal year as follows:

14 “(i) 30 percent to the Adjacent State.

15 “(ii) 35 percent to all States, includ-  
16 ing the Adjacent State, having a coastline  
17 point within 300 miles of the leased tract,  
18 divided equally, except this clause applies  
19 to a State only if such State allows leasing  
20 within at least 25 percent of its Adjacent  
21 Zone within 75 miles of the coastline.

22 “(iii) 5 percent into the Treasury,  
23 which shall be allocated to the account es-  
24 tablished by section 217 of the State En-

1 hanced Authority for Coastal and Ocean  
2 Resources Act of 2008.

3 “(iv) 5 percent into the Treasury,  
4 which shall be allocated to the account es-  
5 tablished by section 225 of the State En-  
6 hanced Authority for Coastal and Ocean  
7 Resources Act of 2008.

8 “(v) 5 percent into the Treasury,  
9 which shall be allocated to the account es-  
10 tablished by section 227 of the State En-  
11 hanced Authority for Coastal and Ocean  
12 Resources Act of 2008.

13 “(vi) 5 percent to all States referred  
14 to in section 2(s) of this Act and the other  
15 States that have been admitted to the  
16 Union, divided equally.

17 “(vii) 5 percent to all States referred  
18 to in section 2(s) of this Act and the other  
19 States that have been admitted to the  
20 Union, divided based on the percentage of  
21 the national population that resides in  
22 each.

23 “(viii) 10 percent to the Low-Income  
24 Home Energy Assistance Program.



1           “(C) LIMITATION IF NOT ADMITTED TO  
2           THE UNION AS A STATE.—Any entity defined as  
3           a ‘State’ under section 2(s) that has not been  
4           admitted to the Union as a State shall only be  
5           entitled to one-half of a State share under sub-  
6           paragraphs (A)(iv) and (B)(iv).

7           “(c) TRANSMISSION OF ALLOCATIONS.—

8           “(1) IN GENERAL.—Not later than 90 days  
9           after the end of each fiscal year, the Secretary shall  
10          transmit—

11           “(A) to each State 60 percent of such  
12           State’s allocations under subsection (b)(5)(A)(i)  
13           and (ii) and subsection (b)(5)(B)(i) and (ii) for  
14           the immediate prior fiscal year;

15           “(B) to each coastal county-equivalent and  
16           municipal political subdivisions of such State a  
17           total of 40 percent of such State’s allocations  
18           under subsection (b)(5)(A)(i) and (ii) and sub-  
19           section (b)(5)(B)(i) and (ii), for the immediate  
20           prior fiscal year, together with all accrued inter-  
21           est thereon; and

22           “(C) the remaining allocations under sub-  
23           section (b)(5), together with all accrued interest  
24           thereon.

1           “(2) ALLOCATIONS TO COASTAL COUNTY-  
2 EQUIVALENT POLITICAL SUBDIVISIONS.—The Sec-  
3 retary shall make an initial allocation of the OCS  
4 Receipts to be shared under paragraph (1)(B) as fol-  
5 lows:

6           “(A) 25 percent shall be allocated to coast-  
7 al county-equivalent political subdivisions that  
8 are completely more than 25 miles landward of  
9 the coastline and at least a part of which lies  
10 not more than 75 miles landward from the  
11 coastline, with the allocation among such coast-  
12 al county-equivalent political subdivisions based  
13 on population.

14           “(B) 75 percent shall be allocated to coast-  
15 al county-equivalent political subdivisions that  
16 are completely or partially less than 25 miles  
17 landward of the coastline, with the allocation  
18 among such coastal county-equivalent political  
19 subdivisions to be further allocated as follows:

20           “(i) 25 percent shall be allocated  
21 based on the ratio of such coastal county-  
22 equivalent political subdivision’s population  
23 to the coastal population of all coastal  
24 county-equivalent political subdivisions in  
25 the State.

1                   “(ii) 25 percent shall be allocated  
2                   based on the ratio of such coastal county-  
3                   equivalent political subdivision’s coastline  
4                   miles to the coastline miles of all coastal  
5                   county-equivalent political subdivisions in  
6                   the State as calculated by the Secretary.  
7                   In such calculations, coastal county-equa-  
8                   lent political subdivisions without a coast-  
9                   line shall be considered to have 50 percent  
10                  of the average coastline miles of the coast-  
11                  al county-equivalent political subdivisions  
12                  that do have coastlines.

13                  “(iii) 50 percent shall be allocated  
14                  equally to all coastal county-equivalent po-  
15                  litical subdivisions having a coastline point  
16                  within 300 miles of the leased tract for  
17                  which OCS Receipts are being shared.

18                  “(3) ALLOCATIONS TO COASTAL MUNICIPAL PO-  
19                  LITICAL SUBDIVISIONS.—The initial allocation to  
20                  each coastal county-equivalent political subdivision  
21                  under paragraph (2) shall be further allocated to the  
22                  coastal county-equivalent political subdivision and  
23                  any coastal municipal political subdivisions located  
24                  partially or wholly within the boundaries of the

1 coastal county-equivalent political subdivision as fol-  
2 lows:

3 “(A) One-third shall be allocated to the  
4 coastal county-equivalent political subdivision.

5 “(B) Two-thirds shall be allocated on a per  
6 capita basis to the municipal political subdivi-  
7 sions and the county-equivalent political sub-  
8 division, with the allocation to the latter based  
9 upon its population not included within the  
10 boundaries of a municipal political subdivision.

11 “(d) INVESTMENT OF DEPOSITS.—Amounts depos-  
12 ited under this section shall be invested by the Secretary  
13 of the Treasury in securities backed by the full faith and  
14 credit of the United States having maturities suitable to  
15 the needs of the account in which they are deposited and  
16 yielding the highest reasonably available interest rates as  
17 determined by the Secretary of the Treasury.

18 “(e) USE OF FUNDS.—A recipient of funds under  
19 this section may use the funds for one or more of the fol-  
20 lowing:

21 “(1) To reduce in-State college tuition at public  
22 institutions of higher learning and otherwise support  
23 public education, including career technical edu-  
24 cation.

1           “(2) To make transportation infrastructure im-  
2       provements.

3           “(3) To reduce taxes.

4           “(4) To promote, fund, and provide for—

5               “(A) coastal or environmental restoration;

6               “(B) fish, wildlife, and marine life habitat  
7       enhancement;

8               “(C) waterways construction and mainte-  
9       nance;

10              “(D) levee construction and maintenance  
11       and shore protection; and

12              “(E) marine and oceanographic education  
13       and research.

14           “(5) To promote, fund, and provide for—

15               “(A) infrastructure associated with energy  
16       production activities conducted on the outer  
17       Continental Shelf;

18               “(B) energy demonstration projects;

19               “(C) supporting infrastructure for shore-  
20       based energy projects;

21               “(D) State geologic programs, including  
22       geologic mapping and data storage programs,  
23       and State geophysical data acquisition;

24               “(E) State seismic monitoring programs,  
25       including operation of monitoring stations;

1           “(F) development of oil and gas resources  
2           through enhanced recovery techniques;

3           “(G) alternative energy development, in-  
4           cluding bio fuels, coal-to-liquids, oil shale, tar  
5           sands, geothermal, geopressure, wind, waves,  
6           currents, hydro, and other renewable energy;

7           “(H) energy efficiency and conservation  
8           programs; and

9           “(I) front-end engineering and design for  
10          facilities that produce liquid fuels from hydro-  
11          carbons and other biological matter.

12          “(6) To promote, fund, and provide for—

13               “(A) historic preservation programs and  
14               projects;

15               “(B) natural disaster planning and re-  
16               sponse; and

17               “(C) hurricane and natural disaster insur-  
18               ance programs.

19          “(7) For any other purpose as determined by  
20          State law.

21          “(f) NO ACCOUNTING REQUIRED.—No recipient of  
22          funds under this section shall be required to account to  
23          the Federal Government for the expenditure of such  
24          funds, except as otherwise may be required by law. How-  
25          ever, States may enact legislation providing for accounting

1 for and auditing of such expenditures. Further, funds allo-  
2 cated under this section to States and political subdivi-  
3 sions may be used as matching funds for other Federal  
4 programs.

5 “(g) EFFECT OF FUTURE LAWS.—Enactment of any  
6 future Federal statute that has the effect, as determined  
7 by the Secretary, of restricting any Federal agency from  
8 spending appropriated funds, or otherwise preventing it  
9 from fulfilling its pre-existing responsibilities as of the  
10 date of enactment of the statute, unless such responsibil-  
11 ities have been reassigned to another Federal agency by  
12 the statute with no prevention of performance, to issue  
13 any permit or other approval impacting on the outer Con-  
14 tinental Shelf oil and gas leasing program, or any lease  
15 issued thereunder, or to implement any provision of this  
16 Act shall automatically prohibit any sharing of OCS Re-  
17 ceipts under this section directly with the States, and their  
18 coastal political subdivisions, for the duration of the re-  
19 striction. The Secretary shall make the determination of  
20 the existence of such restricting effect within 30 days of  
21 a petition by any outer Continental Shelf lessee or pro-  
22 ducing State.

23 “(h) DEFINITIONS.—In this section:

24 “(1) COASTAL COUNTY-EQUIVALENT POLITICAL  
25 SUBDIVISION.—The term ‘coastal county-equivalent

1 political subdivision’ means a political jurisdiction  
2 immediately below the level of State government, in-  
3 cluding a county, parish, borough in Alaska, inde-  
4 pendent municipality not part of a county, parish, or  
5 borough in Alaska, or other equivalent subdivision of  
6 a coastal State, that lies within the coastal zone.

7 “(2) COASTAL MUNICIPAL POLITICAL SUBDIVI-  
8 SION.—The term ‘coastal municipal political subdivi-  
9 sion’ means a municipality located within and part  
10 of a county, parish, borough in Alaska, or other  
11 equivalent subdivision of a State, all or part of which  
12 municipality lies within the coastal zone.

13 “(3) COASTAL POPULATION.—The term ‘coastal  
14 population’ means the population of all coastal coun-  
15 ty-equivalent political subdivisions, as determined by  
16 the most recent official data of the Census Bureau.

17 “(4) COASTAL ZONE.—The term ‘coastal zone’  
18 means that portion of a coastal State, including the  
19 entire territory of any coastal county-equivalent po-  
20 litical subdivision at least a part of which lies, within  
21 75 miles landward from the coastline.

22 “(5) BONUS BIDS.—The term ‘bonus bids’  
23 means all funds received by the Secretary to issue  
24 an outer Continental Shelf minerals lease.



1           “(6) ROYALTIES.—The term ‘royalties’ means  
 2           all funds received by the Secretary from production  
 3           of oil or natural gas, or the sale of production taken  
 4           in-kind, or from net profit shares, from an outer  
 5           Continental Shelf minerals lease.

6           “(7) PRODUCING STATE.—The term ‘producing  
 7           State’ means an Adjacent State having an Adjacent  
 8           Zone containing leased tracts from which OCS Re-  
 9           ceipts were derived.

10           “(8) OCS RECEIPTS.—The term ‘OCS Receipts’  
 11           means bonus bids and royalties.”.

12   **SEC. 211. REVIEW OF OUTER CONTINENTAL SHELF EXPLO-**  
 13                           **RATION PLANS.**

14           Subsections (c) and (d) of section 11 of the Outer  
 15   Continental Shelf Lands Act (43 U.S.C. 1340) are amend-  
 16   ed to read as follows:

17           “(c) PLAN REVIEW; PLAN PROVISIONS.—

18           “(1) Except as otherwise provided in this Act,  
 19           prior to commencing exploration pursuant to any oil  
 20           and gas lease issued or maintained under this Act,  
 21           the holder thereof shall submit an exploration plan  
 22           (hereinafter in this section referred to as a ‘plan’) to  
 23           the Secretary for review which shall include all infor-  
 24           mation and documentation required under para-  
 25           graphs (2) and (3). The Secretary shall review the

1 plan for completeness within 10 days of submission.  
2 If the Secretary finds that the plan is not complete,  
3 the Secretary shall notify the lessee with a detailed  
4 explanation and require such modifications of such  
5 plan as are necessary to achieve completeness. The  
6 Secretary shall have 10 days to review a modified  
7 plan for completeness. Such plan may apply to more  
8 than one lease held by a lessee in any one region of  
9 the outer Continental Shelf, or by a group of lessees  
10 acting under a unitization, pooling, or drilling agree-  
11 ment, and the lessee shall certify that such plan is  
12 consistent with the terms of the lease and is con-  
13 sistent with all statutory and regulatory require-  
14 ments in effect on the date of issuance of the lease,  
15 and any regulations promulgated under this Act to  
16 provide for the conservation of resources after the  
17 date of the lease issuance. The Secretary shall have  
18 30 days from the date the plan is deemed by the  
19 Secretary complete to conduct a review of the plan.  
20 If the Secretary finds the plan is not consistent with  
21 the lease and all such statutory and regulatory re-  
22 quirements, the Secretary shall notify the lessee with  
23 a detailed explanation of such modifications of such  
24 plan as are necessary to achieve such consistency.  
25 The Secretary shall have 30 days to review any

1 modified plan submitted by the lessee. The lessee  
2 shall not take any action under the exploration plan  
3 within the 30-day review period, or thereafter until  
4 the plan has been modified to achieve such consist-  
5 ency as so notified.

6 “(2) An exploration plan submitted under this  
7 subsection shall include, in the degree of detail  
8 which the Secretary may by regulation require—

9 “(A) a schedule of anticipated exploration  
10 activities to be undertaken;

11 “(B) a description of equipment to be used  
12 for such activities;

13 “(C) the general location of each well to be  
14 drilled; and

15 “(D) such other information deemed perti-  
16 nent by the Secretary.

17 “(3) The Secretary may, by regulation, require  
18 that such plan be accompanied by a general state-  
19 ment of development and production intentions  
20 which shall be for planning purposes only and which  
21 shall not be binding on any party.

22 “(d) PLAN REVISIONS; CONDUCT OF EXPLORATION  
23 ACTIVITIES.—

24 “(1) PLAN REVISIONS.—If a significant revision  
25 of an exploration plan under this subsection is sub-

1       mitted to the Secretary, the process to be used for  
2       the review of such revision shall be the same as set  
3       forth in subsection (c).

4               “(2) EXPLORATION ACTIVITIES.—All explo-  
5       ration activities pursuant to any lease shall be con-  
6       ducted in accordance with an exploration plan or a  
7       revised plan that has been submitted to and re-  
8       viewed by the Secretary.”.

9   **SEC. 212. RESERVATION OF LANDS AND RIGHTS.**

10       Section 12 of the Outer Continental Shelf Lands Act  
11   (43 U.S.C. 1341) is amended—

12               (1) in subsection (a) by adding at the end the  
13       following: “The President may partially or com-  
14       pletely revise or revoke any prior withdrawal made  
15       by the President under the authority of this section.  
16       The President may not revise or revoke a withdrawal  
17       that is extended by a State under subsection (h), nor  
18       may the President withdraw from leasing any area  
19       for which a State failed to prohibit, or petition to  
20       prohibit, leasing under subsection (g). Further, in  
21       the area of the outer Continental Shelf more than  
22       75 miles from any coastline, not more than 25 per-  
23       cent of the acreage of any OCS Planning Area may  
24       be withdrawn from leasing under this section at any  
25       point in time. A withdrawal by the President may be

1 for a term not to exceed 5 years. Except when other-  
2 wise provided by law, when considering potential  
3 uses of the outer Continental Shelf, to the maximum  
4 extent possible, the President shall accommodate  
5 competing interests and potential uses.”; and

6 (2) by adding at the end the following:

7 “(g) AVAILABILITY FOR LEASING WITHIN CERTAIN  
8 AREAS OF THE OUTER CONTINENTAL SHELF.—

9 “(1) PROHIBITION AGAINST LEASING.—

10 “(A) UNAVAILABLE FOR LEASING WITH-  
11 OUT STATE REQUEST.—Except as otherwise  
12 provided in this subsection, from and after en-  
13 actment of the State Enhanced Authority for  
14 Coastal and Ocean Resources Act of 2008, the  
15 Secretary shall not offer for leasing for oil and  
16 gas, or natural gas, any area within 35 miles of  
17 the coastline that was withdrawn from disposi-  
18 tion by leasing in the Atlantic OCS Region or  
19 the Pacific OCS Region, or the Gulf of Mexico  
20 OCS Region Eastern Planning Area, as de-  
21 picted on the maps referred to in this subpara-  
22 graph, under the Memorandum on Withdrawal  
23 of Certain Areas of the United States Outer  
24 Continental Shelf from Leasing Disposition, 34  
25 Weekly Comp. Pres. Doc. 1111, dated June 12,

1 1998, or any area within 35 miles of the coast-  
2 line not withdrawn from leasing under that  
3 Memorandum that is included within the terri-  
4 torial waters and Exclusive Economic Zone ad-  
5 jacent to the Commonwealth of Puerto Rico,  
6 the Commonwealth of the Northern Mariana Is-  
7 lands, the Virgin Islands, American Samoa,  
8 Guam, and the other territories of the United  
9 States, or any area within 35 miles of the  
10 coastline within the Florida Straits Planning  
11 Area as indicated on the map entitled ‘Atlantic  
12 OCS Region State Adjacent Zones and OCS  
13 Planning Areas’, which is dated September  
14 2005 and on file in the Office of the Director,  
15 Minerals Management Service.

16 “(B) AREAS BETWEEN 35 AND 75 MILES  
17 FROM THE COASTLINE.—Unless an Adjacent  
18 State petitions under subsection (h) within one  
19 year after the date of the enactment of the  
20 State Enhanced Authority for Coastal and  
21 Ocean Resources Act of 2008 for natural gas  
22 leasing or within three years after date of en-  
23 actment of that Act for oil and gas leasing, the  
24 Secretary shall offer for leasing any area more  
25 than 35 miles but less than 75 miles from the

1 coastline that was withdrawn from disposition  
2 by leasing in the Atlantic OCS Region, the Pa-  
3 cific OCS Region, or the Gulf of Mexico OCS  
4 Region Eastern Planning Area, as depicted on  
5 the maps referred to in this subparagraph,  
6 under the Memorandum on Withdrawal of Cer-  
7 tain Areas of the United States Outer Conti-  
8 nental Shelf from Leasing Disposition, 34  
9 Weekly Comp. Pres. Doc. 1111, dated June 12,  
10 1998, or any area more than 35 miles but less  
11 than 75 miles of the coastline not withdrawn  
12 under that Memorandum that is included with-  
13 in the Exclusive Economic Zone adjacent to the  
14 Commonwealth of Puerto Rico, the Common-  
15 wealth of the Northern Mariana Islands, the  
16 Virgin Islands, American Samoa, Guam, and  
17 the other territories of the United States, or  
18 any area more than 35 miles but less than 75  
19 miles of the coastline within the Florida Straits  
20 Planning Area as indicated on the map entitled  
21 ‘Atlantic OCS Region State Adjacent Zones and  
22 OCS Planning Areas’, which is dated Sep-  
23 tember 2005 and on file in the Office of the Di-  
24 rector, Minerals Management Service.

25 “(2) PETITION FOR LEASING.—

1           “(A) IN GENERAL.—The Governor of the  
2           State, upon enactment of a State statute pro-  
3           viding for such, shall submit to the Secretary a  
4           petition requesting that the Secretary make  
5           available any area that is within the State’s Ad-  
6           jacent Zone, included within the provisions of  
7           paragraph (1), and that (i) is greater than 35  
8           miles from any point on the coastline of a  
9           Neighboring State for the conduct of offshore  
10          leasing, pre-leasing, and related activities with  
11          respect to natural gas leasing; or (ii) is greater  
12          than 50 miles from any point on the coastline  
13          of a Neighboring State for the conduct of off-  
14          shore leasing, pre-leasing, and related activities  
15          with respect to oil and gas leasing. The Adja-  
16          cent State may also petition for leasing any  
17          other area within its Adjacent Zone if leasing is  
18          allowed in the similar area of the Adjacent  
19          Zone of the applicable Neighboring State, or if  
20          not allowed, if the Neighboring State, acting  
21          through its Governor, expresses its concurrence  
22          with the petition. The Secretary shall only con-  
23          sider such a petition upon making a finding  
24          that leasing is allowed in the similar area of the  
25          Adjacent Zone of the applicable Neighboring



1 State or upon receipt of the concurrence of the  
2 Neighboring State. The date of receipt by the  
3 Secretary of such concurrence by the Neigh-  
4 boring State shall constitute the date of receipt  
5 of the petition for that area for which the con-  
6 currence applies.

7 “(B) LIMITATIONS ON LEASING.—In its  
8 petition, a State with an Adjacent Zone that  
9 contains leased tracts may condition new leas-  
10 ing for oil and gas, or natural gas for tracts  
11 within 35 miles of the coastline by—

12 “(i) requiring a net reduction in the  
13 number of production platforms;

14 “(ii) requiring a net increase in the  
15 average distance of production platforms  
16 from the coastline;

17 “(iii) limiting permanent surface occu-  
18 pancy on new leases to areas that are more  
19 than 10 miles from the coastline;

20 “(iv) limiting some tracts to being  
21 produced from shore or from platforms lo-  
22 cated on other tracts; or

23 “(v) other conditions that the Adja-  
24 cent State may deem appropriate as long  
25 as the Secretary does not determine that

1 production is made economically or tech-  
2 nically impracticable or otherwise impos-  
3 sible.

4 “(C) ACTION BY SECRETARY.—Not later  
5 than 90 days after receipt of a petition under  
6 subparagraph (A), the Secretary shall approve  
7 the petition, unless the Secretary determines  
8 that leasing the area would probably cause seri-  
9 ous harm or damage to the marine resources of  
10 the State’s Adjacent Zone. Prior to approving  
11 the petition, the Secretary shall complete an en-  
12 vironmental assessment that documents the an-  
13 ticipated environmental effects of leasing in the  
14 area included within the scope of the petition.

15 “(D) FAILURE TO ACT.—If the Secretary  
16 fails to approve or deny a petition in accordance  
17 with subparagraph (C) the petition shall be con-  
18 sidered to be approved 90 days after receipt of  
19 the petition.

20 “(E) AMENDMENT OF THE 5-YEAR LEAS-  
21 ING PROGRAM.—Notwithstanding section 18,  
22 within 180 days of the approval of a petition  
23 under subparagraph (C) or (D), after the expi-  
24 ration of the time limits in paragraph (1)(B),  
25 and within 180 days after the enactment of the

1 State Enhanced Authority for Coastal and  
2 Ocean Resources Act of 2008 for the areas  
3 made available for leasing under paragraph (2),  
4 the Secretary shall amend the current 5-Year  
5 Outer Continental Shelf Oil and Gas Leasing  
6 Program to include a lease sale or sales for at  
7 least 75 percent of the associated areas, unless  
8 there are, from the date of approval, expiration  
9 of such time limits, or enactment, as applicable,  
10 fewer than 12 months remaining in the current  
11 5-Year Leasing Program in which case the Sec-  
12 retary shall include the associated areas within  
13 lease sales under the next 5-Year Leasing Pro-  
14 gram. For purposes of amending the 5-Year  
15 Program in accordance with this section, fur-  
16 ther consultations with States shall not be re-  
17 quired. For purposes of this section, an environ-  
18 mental assessment performed under the provi-  
19 sions of the National Environmental Policy Act  
20 of 1969 to assess the effects of approving the  
21 petition shall be sufficient to amend the 5-Year  
22 Leasing Program.

23 “(h) OPTION TO EXTEND WITHDRAWAL FROM  
24 LEASING WITHIN CERTAIN AREAS OF THE OUTER CON-  
25 TINENTAL SHELF.—A State, through enactment of a

1 State statute, may extend for a period of time of up to  
2 5 years for each extension the withdrawal from leasing for  
3 all or part of any area within the State's Adjacent Zone  
4 located more than 35 miles, but less than 75 miles, from  
5 the coastline that is subject to subsection (g)(1)(B). A  
6 State may extend multiple times for any particular area  
7 but not more than once per calendar year for any par-  
8 ticular area, nor may a State extend the withdrawal for  
9 an area to cause it to extend to a total of more than 5  
10 years from the date of concurrence by the legislature. A  
11 State must prepare separate extensions, with enactment  
12 of separate State statutes, for oil and gas leasing and for  
13 natural gas leasing. An extension by a State may affect  
14 some areas to be withdrawn from all leasing and some  
15 areas to be withdrawn only from one type of leasing.

16 “(i) EFFECT OF OTHER LAWS.—Adoption by any  
17 Adjacent State of any constitutional provision, or enact-  
18 ment of any State statute, that has the effect, as deter-  
19 mined by the Secretary, of restricting either the Governor  
20 or the Legislature, or both, from exercising full discretion  
21 related to subsection (g) or (h), or both, shall automati-  
22 cally (1) prohibit any sharing of OCS Receipts under this  
23 Act with the Adjacent State, and its coastal political sub-  
24 divisions, and (2) prohibit the Adjacent State from exer-  
25 cising any authority under subsection (h), for the duration

1 of the restriction. The Secretary shall make the determina-  
2 tion of the existence of such restricting constitutional pro-  
3 vision or State statute within 30 days of a petition by any  
4 outer Continental Shelf lessee or any State.

5 “(j) AREA OF THE GULF OF MEXICO EAST OF THE  
6 MILITARY MISSION LINE.—

7 “(1) IN GENERAL.—When preparing the leasing  
8 program under section 18, the Secretary shall con-  
9 sult with the Secretary of Defense regarding military  
10 operational needs in the area of the Gulf of Mexico  
11 East of the Military Mission Line. The Secretary  
12 shall not offer for leasing for oil and gas or natural  
13 gas any part of that area for which the Secretary of  
14 Defense finds oil and gas operations cannot, or can-  
15 not be modified to, compatibly coexist with military  
16 operations. If any part of the area described in this  
17 paragraph is leased, 50 percent of the OCS Receipts  
18 from a lease within such area shall be paid under  
19 section 9 and the other 50 percent shall be paid an-  
20 nually to the National Guards of all States, allocated  
21 by the Secretary among the States on a per capita  
22 basis using the entire population of such States.

23 “(2) MILITARY MISSION LINE DEFINED.—In  
24 this subsection, the term ‘Military Mission Line’  
25 means a line located at 86 degrees, 41 minutes West

1 Longitude, and extending south from the coast of  
2 Florida to the outer boundary of United States ex-  
3 clusive economic zone in the Gulf of Mexico.”.

4 **SEC. 213. OUTER CONTINENTAL SHELF LEASING PROGRAM.**

5 Section 18 of the Outer Continental Shelf Lands Act  
6 (43 U.S.C. 1344) is amended—

7 (1) in subsection (a), by adding at the end of  
8 paragraph (3) the following: “The Secretary shall, in  
9 each 5-year program, include lease sales that when  
10 viewed as a whole propose to offer for oil and gas  
11 or natural gas leasing at least 75 percent of the  
12 available unleased acreage within each outer Conti-  
13 nental Shelf Planning Area. For purposes of the pre-  
14 ceding sentence, available unleased acreage is that  
15 portion of the outer Continental Shelf that is not  
16 under lease at the time of the proposed lease sale,  
17 and has not otherwise been made unavailable for  
18 leasing by law.”;

19 (2) in subsection (c), by striking so much as  
20 precedes paragraph (3) and inserting the following:

21 “(c)(1) During the preparation of any proposed leas-  
22 ing program under this section, the Secretary shall con-  
23 sider and analyze leasing throughout the entire outer Con-  
24 tinental Shelf without regard to any other law affecting  
25 such leasing. During this preparation the Secretary shall

1 invite and consider suggestions from any interested Fed-  
2 eral agency, including the Attorney General, in consulta-  
3 tion with the Federal Trade Commission, and from the  
4 Governor of any coastal State. The Secretary may also in-  
5 vite or consider any suggestions from the executive of any  
6 local government in a coastal State that have been pre-  
7 viously submitted to the Governor of such State, and from  
8 any other person. Further, the Secretary shall consult  
9 with the Secretary of Defense regarding military oper-  
10 ational needs in the outer Continental Shelf. The Sec-  
11 retary shall work with the Secretary of Defense to resolve  
12 any conflicts that might arise regarding offering any area  
13 of the outer Continental Shelf for oil and gas or natural  
14 gas leasing. If the Secretaries are not able to resolve all  
15 such conflicts, any unresolved issues shall be elevated to  
16 the President for resolution.

17       “(2) After the consideration and analysis required by  
18 paragraph (1), including the consideration of the sugges-  
19 tions received from any interested Federal agency, the  
20 Federal Trade Commission, the Governor of any coastal  
21 State, any local government of a coastal State, and any  
22 other person, the Secretary shall publish in the Federal  
23 Register a proposed leasing program accompanied by a  
24 draft environmental impact statement prepared pursuant  
25 to the National Environmental Policy Act of 1969. After

1 the publishing of the proposed leasing program and during  
2 the comment period provided for on the draft environ-  
3 mental impact statement, the Secretary shall submit a  
4 copy of the proposed program to the Governor of each af-  
5 fected State for review and comment. The Governor may  
6 solicit comments from those executives of local govern-  
7 ments in the Governor's State that the Governor, in the  
8 discretion of the Governor, determines will be affected by  
9 the proposed program. If any comment by such Governor  
10 is received by the Secretary at least 15 days prior to sub-  
11 mission to the Congress pursuant to paragraph (3) and  
12 includes a request for any modification of such proposed  
13 program, the Secretary shall reply in writing, granting or  
14 denying such request in whole or in part, or granting such  
15 request in such modified form as the Secretary considers  
16 appropriate, and stating the Secretary's reasons therefor.  
17 All such correspondence between the Secretary and the  
18 Governor of any affected State, together with any addi-  
19 tional information and data relating thereto, shall accom-  
20 pany such proposed program when it is submitted to the  
21 Congress."'; and

22 (3) by adding at the end the following:

23 “(i) PROJECTION OF STATE ADJACENT ZONE RE-  
24 SOURCES AND STATE AND LOCAL GOVERNMENT SHARES  
25 OF OCS RECEIPTS.—Concurrent with the publication of



1 the scoping notice at the beginning of the development of  
2 each 5-year outer Continental Shelf oil and gas leasing  
3 program, or as soon thereafter as possible, the Secretary  
4 shall—

5 “(1) provide to each Adjacent State a current  
6 estimate of proven and potential oil and gas re-  
7 sources located within the State’s Adjacent Zone;  
8 and

9 “(2) provide to each Adjacent State, and coast-  
10 al political subdivisions thereof, a best-efforts projec-  
11 tion of the OCS Receipts that the Secretary expects  
12 will be shared with each Adjacent State, and its  
13 coastal political subdivisions, using the assumption  
14 that the unleased tracts within the State’s Adjacent  
15 Zone are fully made available for leasing, including  
16 long-term projected OCS Receipts. In addition, the  
17 Secretary shall include a macroeconomic estimate of  
18 the impact of such leasing on the national economy  
19 and each State’s economy, including investment,  
20 jobs, revenues, personal income, and other cat-  
21 egories.”.

22 **SEC. 214. COORDINATION WITH ADJACENT STATES.**

23 Section 19 of the Outer Continental Shelf Lands Act  
24 (43 U.S.C. 1345) is amended—

1           (1) in subsection (a) in the first sentence by in-  
2       serting “, for any tract located within the Adjacent  
3       State’s Adjacent Zone,” after “government”; and

4           (2) by adding the following:

5       “(f)(1) No Federal agency may permit or otherwise  
6       approve, without the concurrence of the Adjacent State,  
7       the construction of a crude oil or petroleum products (or  
8       both) pipeline within the part of the Adjacent State’s Ad-  
9       jacent Zone that is withdrawn from oil and gas or natural  
10      gas leasing, except that such a pipeline may be approved,  
11      without such Adjacent State’s concurrence, to pass  
12      through such Adjacent Zone if at least 50 percent of the  
13      production projected to be carried by the pipeline within  
14      its first 10 years of operation is from areas of the Adja-  
15      cent State’s Adjacent Zone.

16      “(2) No State may prohibit the construction within  
17      its Adjacent Zone or its State waters of a natural gas pipe-  
18      line that will transport natural gas produced from the  
19      outer Continental Shelf. However, an Adjacent State may  
20      prevent a proposed natural gas pipeline landing location  
21      if it proposes two alternate landing locations in the Adja-  
22      cent State, acceptable to the Adjacent State, located with-  
23      in 50 miles on either side of the proposed landing loca-  
24      tion.”.

1 **SEC. 215. ENVIRONMENTAL STUDIES.**

2 Section 20(d) of the Outer Continental Shelf Lands  
3 Act (43 U.S.C. 1346) is amended—

4 (1) by inserting “(1)” after “(d)”; and

5 (2) by adding at the end the following:

6 “(2) For all programs, lease sales, leases, and actions  
7 under this Act, the following shall apply regarding the ap-  
8 plication of the National Environmental Policy Act of  
9 1969:

10 “(A) Granting or directing lease suspensions  
11 and the conduct of all preliminary activities on outer  
12 Continental Shelf tracts, including seismic activities,  
13 are categorically excluded from the need to prepare  
14 either an environmental assessment or an environ-  
15 mental impact statement, and the Secretary shall  
16 not be required to analyze whether any exceptions to  
17 a categorical exclusion apply for activities conducted  
18 under the authority of this Act.

19 “(B) The environmental impact statement de-  
20 veloped in support of each 5-year oil and gas leasing  
21 program provides the environmental analysis for all  
22 lease sales to be conducted under the program and  
23 such sales shall not be subject to further environ-  
24 mental analysis.

25 “(C) Exploration plans shall not be subject to  
26 any requirement to prepare an environmental impact

1 statement, and the Secretary may find that explo-  
2 ration plans are eligible for categorical exclusion due  
3 to the impacts already being considered within an  
4 environmental impact statement or due to mitigation  
5 measures included within the plan.

6 “(D) Within each OCS Planning Area, after the  
7 preparation of the first development and production  
8 plan environmental impact statement for a leased  
9 tract within the Area, future development and pro-  
10 duction plans for leased tracts within the Area shall  
11 only require the preparation of an environmental as-  
12 sessment unless the most recent development and  
13 production plan environmental impact statement  
14 within the Area was finalized more than 10 years  
15 prior to the date of the approval of the plan, in  
16 which case an environmental impact statement shall  
17 be required.”.

18 **SEC. 216. REVIEW OF OUTER CONTINENTAL SHELF DEVEL-**  
19 **OPMENT AND PRODUCTION PLANS.**

20 Section 25 of the Outer Continental Shelf Lands Act  
21 (43 U.S.C. 1351(a)) is amended to read as follows:

22 **“SEC. 25. REVIEW OF OUTER CONTINENTAL SHELF DEVEL-**  
23 **OPMENT AND PRODUCTION PLANS.**

24 “(a) DEVELOPMENT AND PRODUCTION PLANS; SUB-  
25 MISSION TO SECRETARY; STATEMENT OF FACILITIES AND

1 OPERATION; SUBMISSION TO GOVERNORS OF AFFECTED  
2 STATES AND LOCAL GOVERNMENTS.—

3           “(1) Prior to development and production pur-  
4           suant to an oil and gas lease issued on or after Sep-  
5           tember 18, 1978, for any area of the outer Conti-  
6           nental Shelf, or issued or maintained prior to Sep-  
7           tember 18, 1978, for any area of the outer Conti-  
8           nental Shelf, with respect to which no oil or gas has  
9           been discovered in paying quantities prior to Sep-  
10          tember 18, 1978, the lessee shall submit a develop-  
11          ment and production plan (hereinafter in this sec-  
12          tion referred to as a ‘plan’) to the Secretary for re-  
13          view.

14          “(2) A plan shall be accompanied by a state-  
15          ment describing all facilities and operations, other  
16          than those on the outer Continental Shelf, proposed  
17          by the lessee and known by the lessee (whether or  
18          not owned or operated by such lessee) that will be  
19          constructed or utilized in the development and pro-  
20          duction of oil or gas from the lease area, including  
21          the location and site of such facilities and oper-  
22          ations, the land, labor, material, and energy require-  
23          ments associated with such facilities and operations,  
24          and all environmental and safety safeguards to be  
25          implemented.

1           “(3) Except for any privileged or proprietary  
2           information (as such term is defined in regulations  
3           issued by the Secretary), the Secretary, within 30  
4           days after receipt of a plan and statement, shall—

5                   “(A) submit such plan and statement to  
6           the Governor of any affected State, and upon  
7           request to the executive of any affected local  
8           government; and

9                   “(B) make such plan and statement avail-  
10          able to any appropriate interstate regional enti-  
11          ty and the public.

12          “(b) DEVELOPMENT AND PRODUCTION ACTIVITIES  
13          IN ACCORDANCE WITH PLAN AS LEASE REQUIREMENT.—  
14          After enactment of the State Enhanced Authority for  
15          Coastal and Ocean Resources Act of 2008, no oil and gas  
16          lease may be issued pursuant to this Act in any region  
17          of the outer Continental Shelf, unless such lease requires  
18          that development and production activities be carried out  
19          in accordance with a plan that complies with the require-  
20          ments of this section. This section shall also apply to  
21          leases that do not have an approved development and pro-  
22          duction plan as of the date of enactment of the State En-  
23          hanced Authority for Coastal and Ocean Resources Act  
24          of 2008.

1       “(c) SCOPE AND CONTENTS OF PLAN.—A plan may  
2 apply to more than one oil and gas lease, and shall set  
3 forth, in the degree of detail established by regulations  
4 issued by the Secretary—

5               “(1) the general work to be performed;

6               “(2) a description of all facilities and operations  
7 located on the outer Continental Shelf that are pro-  
8 posed by the lessee or known by the lessee (whether  
9 or not owned or operated by such lessee) to be di-  
10 rectly related to the proposed development, including  
11 the location and size of such facilities and oper-  
12 ations, and the land, labor, material, and energy re-  
13 quirements associated with such facilities and oper-  
14 ations;

15               “(3) the environmental safeguards to be imple-  
16 mented on the outer Continental Shelf and how such  
17 safeguards are to be implemented;

18               “(4) all safety standards to be met and how  
19 such standards are to be met;

20               “(5) an expected rate of development and pro-  
21 duction and a time schedule for performance; and

22               “(6) such other relevant information as the Sec-  
23 retary may by regulation require.

24       “(d) COMPLETENESS REVIEW OF THE PLAN.—

1           “(1) Prior to commencing any activity under a  
2           development and production plan pursuant to any oil  
3           and gas lease issued or maintained under this Act,  
4           the lessee shall certify that the plan is consistent  
5           with the terms of the lease and that it is consistent  
6           with all statutory and regulatory requirements in ef-  
7           fect on the date of issuance of the lease, and any  
8           regulations promulgated under this Act related to  
9           the conservation of resources after the date of lease  
10          issuance. The plan shall include all required infor-  
11          mation and documentation required under sub-  
12          section (c).

13           “(2) The Secretary shall review the plan for  
14          completeness within 30 days of submission. If the  
15          Secretary finds that the plan is not complete, the  
16          Secretary shall notify the lessee with a detailed ex-  
17          planation of such modifications of such plan as are  
18          necessary to achieve completeness. The Secretary  
19          shall have 30 days to review a modified plan for  
20          completeness.

21          “(e) REVIEW FOR CONSISTENCY OF THE PLAN.—

22           “(1) After a determination that a plan is com-  
23          plete, the Secretary shall have 120 days to conduct  
24          a review of the plan, to ensure that it is consistent  
25          with the terms of the lease, and that it is consistent



1 with all such statutory and regulatory requirements  
2 applicable to the lease. The review shall ensure that  
3 the plan is consistent with lease terms, and statutory  
4 and regulatory requirements applicable to the lease,  
5 related to national security or national defense, in-  
6 cluding any military operating stipulations or other  
7 restrictions. The Secretary shall seek the assistance  
8 of the Department of Defense in the conduct of the  
9 review of any plan prepared under this section for  
10 a lease containing military operating stipulations or  
11 other restrictions and shall accept the assistance of  
12 the Department of Defense in the conduct of the re-  
13 view of any plan prepared under this section for any  
14 other lease when the Secretary of Defense requests  
15 an opportunity to participate in the review. If the  
16 Secretary finds that the plan is not consistent, the  
17 Secretary shall notify the lessee with a detailed ex-  
18 planation of such modifications of such plan as are  
19 necessary to achieve consistency.

20 “(2) The Secretary shall have 120 days to re-  
21 view a modified plan.

22 “(3) The lessee shall not conduct any activities  
23 under the plan during any 120-day review period, or  
24 thereafter until the plan has been modified to  
25 achieve compliance as so notified.

1           “(4) After review by the Secretary provided for  
2           by this section, a lessee may operate pursuant to the  
3           plan without further review or approval by the Sec-  
4           retary.

5           “(f) REVIEW OF REVISION OF THE APPROVED  
6 PLAN.—The lessee may submit to the Secretary any revi-  
7 sion of a plan if the lessee determines that such revision  
8 will lead to greater recovery of oil and natural gas, im-  
9 prove the efficiency, safety, and environmental protection  
10 of the recovery operation, is the only means available to  
11 avoid substantial economic hardship to the lessee, or is  
12 otherwise not inconsistent with the provisions of this Act,  
13 to the extent such revision is consistent with protection  
14 of the human, marine, and coastal environments. The  
15 process to be used for the review of any such revision shall  
16 be the same as that set forth in subsections (d) and (e).

17           “(g) CANCELLATION OF LEASE ON FAILURE TO  
18 SUBMIT PLAN OR COMPLY WITH A PLAN.—Whenever the  
19 owner of any lease fails to submit a plan in accordance  
20 with regulations issued under this section, or fails to com-  
21 ply with a plan, the lease may be canceled in accordance  
22 with section 5(c) and (d). Cancellation of a lease because  
23 of failure to comply with a plan, including required modi-  
24 fications or revisions, shall not entitle a lessee to any com-  
25 pensation.

1       “(h) PRODUCTION AND TRANSPORTATION OF NAT-  
2 URAL GAS; SUBMISSION OF PLAN TO FEDERAL ENERGY  
3 REGULATORY COMMISSION; IMPACT STATEMENT.—If any  
4 development and production plan submitted to the Sec-  
5 retary pursuant to this section provides for the production  
6 and transportation of natural gas, the lessee shall contem-  
7 poraneously submit to the Federal Energy Regulatory  
8 Commission that portion of such plan that relates to the  
9 facilities for transportation of natural gas. The Secretary  
10 and the Federal Energy Regulatory Commission shall  
11 agree as to which of them shall prepare an environmental  
12 impact statement pursuant to the National Environmental  
13 Policy Act of 1969 (42 U.S.C. 4321 et seq.) applicable  
14 to such portion of such plan, or conduct studies as to the  
15 effect on the environment of implementing it. Thereafter,  
16 the findings and recommendations by the agency pre-  
17 paring such environmental impact statement or con-  
18 ducting such studies pursuant to such agreement shall be  
19 adopted by the other agency, and such other agency shall  
20 not independently prepare another environmental impact  
21 statement or duplicate such studies with respect to such  
22 portion of such plan, but the Federal Energy Regulatory  
23 Commission, in connection with its review of an applica-  
24 tion for a certificate of public convenience and necessity  
25 applicable to such transportation facilities pursuant to sec-

tion 7 of the Natural Gas Act (15 U.S.C. 717f), may prepare such environmental studies or statement relevant to certification of such transportation facilities as have not been covered by an environmental impact statement or studies prepared by the Secretary. The Secretary, in consultation with the Federal Energy Regulatory Commission, shall promulgate rules to implement this subsection, but the Federal Energy Regulatory Commission shall retain sole authority with respect to rules and procedures applicable to the filing of any application with the Commission and to all aspects of the Commission's review of, and action on, any such application."

**SEC. 217. FEDERAL ENERGY NATURAL RESOURCES ENHANCEMENT FUND ACT OF 2008.**

(a) FINDINGS.—The Congress finds the following:

(1) Energy and minerals exploration, development, and production on Federal onshore and offshore lands, including bio-based fuel, natural gas, minerals, oil, geothermal, and power from wind, waves, currents, and thermal energy, involves significant outlays of funds by Federal and State wildlife, fish, and natural resource management agencies for environmental studies, planning, development, monitoring, and management of wildlife, fish, air, water, and other natural resources.

1           (2) State wildlife, fish, and natural resource  
2           management agencies are funded primarily through  
3           permit and license fees paid to the States by the  
4           general public to hunt and fish, and through Federal  
5           excise taxes on equipment used for these activities.

6           (3) Funds generated from consumptive and rec-  
7           reational uses of wildlife, fish, and other natural re-  
8           sources currently are inadequate to address the nat-  
9           ural resources related to energy and minerals devel-  
10          opment on Federal onshore and offshore lands.

11          (4) Funds available to Federal agencies respon-  
12          sible for managing Federal onshore and offshore  
13          lands and Federal-trust wildlife and fish species and  
14          their habitats are inadequate to address the natural  
15          resources related to energy and minerals develop-  
16          ment on Federal onshore and offshore lands.

17          (5) Receipts derived from sales, bonus bids, and  
18          royalties under the mineral leasing laws of the  
19          United States are paid to the Treasury through the  
20          Minerals Management Service of the Department of  
21          the Interior.

22          (6) None of the receipts derived from sales,  
23          bonus bids, and royalties under the minerals leasing  
24          laws of the United States are paid to the Federal or  
25          State agencies to examine, monitor, and manage

1 wildlife, fish, air, water, and other natural resources  
2 related to natural gas, oil, and mineral exploration  
3 and development.

4 (b) PURPOSES.—It is the purpose of this section to—

5 (1) establish a fund for the monitoring and  
6 management of wildlife and fish, and their habitats,  
7 and air, water, and other natural resources related  
8 to energy and minerals development on Federal on-  
9 shore and offshore lands;

10 (2) make available receipts derived from sales,  
11 bonus bids, royalties, net profit shares, and fees  
12 from onshore and offshore gas, mineral, oil, and any  
13 additional form of energy and minerals development  
14 under the laws of the United States for the purposes  
15 of such fund;

16 (3) distribute funds from such fund each fiscal  
17 year to the Secretary of the Interior, the Secretary  
18 of Agriculture, and the States; and

19 (4) use the distributed funds to secure the nec-  
20 essary trained workforce or contractual services to  
21 conduct environmental studies, planning, develop-  
22 ment, monitoring, and postdevelopment management  
23 of wildlife and fish and their habitats and air, water,  
24 and other natural resources that may be related to  
25 bio-based fuel, gas, mineral, oil, wind, or other en-

1 energy exploration, development, transportation, trans-  
2 mission, and associated activities on Federal onshore  
3 and offshore lands, including, but not limited to—

4 (A) pertinent research, surveys, and envi-  
5 ronmental analyses conducted to identify any  
6 impacts on wildlife, fish, air, water, and other  
7 natural resources from energy and mineral ex-  
8 ploration, development, production, and trans-  
9 portation or transmission;

10 (B) projects to maintain, improve, or en-  
11 hance wildlife and fish populations and their  
12 habitats or air, water, or other natural re-  
13 sources, including activities under the Endan-  
14 gered Species Act of 1973;

15 (C) research, surveys, environmental anal-  
16 yses, and projects that assist in managing, in-  
17 cluding mitigating either onsite or offsite, or  
18 both, the impacts of energy and mineral activi-  
19 ties on wildlife, fish, air, water, and other nat-  
20 ural resources; and

21 (D) projects to teach young people to live  
22 off the land.

23 (c) DEFINITIONS.—In this section:

24 (1) ENHANCEMENT FUND.—The term “En-  
25 hancement Fund” means the Federal Energy Nat-

1        ural Resources Enhancement Fund established by  
 2        this subsection (d).

3            (2) STATE.—The term “State” means the Gov-  
 4        ernor of a State, commonwealth, or territory of the  
 5        United States.

6        (d) ESTABLISHMENT AND USE OF FEDERAL ENERGY  
 7        NATURAL RESOURCES ENHANCEMENT FUND.—

8            (1) ENHANCEMENT FUND.—There is estab-  
 9        lished in the Treasury a separate account to be  
 10       known as the “Federal Energy Natural Resources  
 11       Enhancement Fund”.

12          (2) FUNDING.—The Secretary of the Treasury  
 13       shall deposit in the Enhancement Fund—

14            (A) such sums as are provided by sections  
 15            9(b)(5)(A)(iii) and 9(b)(5)(B)(iii), of the Outer  
 16            Continental Shelf Lands Act, as amended by  
 17            this Act;

18            (B)(i) during the period of October 1,  
 19            2008, through September 30, 2018, one percent  
 20            of all sums paid into the Treasury under sec-  
 21            tion 35 of the Mineral Leasing Act (30 U.S.C.  
 22            191); and

23            (ii) beginning October 1, 2018, and there-  
 24            after, 2.5 percent of all sums paid into the



1 Treasury under section 35 of the Mineral Leas-  
2 ing Act (30 U.S.C. 191);

3 (C)(i) during the period of October 1,  
4 2008, through September 30, 2018, one percent  
5 of all sums paid into the Treasury from receipts  
6 derived from bonus bids, royalties, rentals, and  
7 other receipts from other mineral and energy  
8 leasing, rights, easements, and other permis-  
9 sions to operate on public lands; and

10 (ii) beginning October 1, 2018, and there-  
11 after, 2.5 percent of all sums paid into the  
12 Treasury from receipts derived from bonus bids,  
13 royalties, rentals, and other receipts from other  
14 mineral and energy leasing, rights, easements,  
15 and other permissions to operate on public  
16 lands;

17 (D) donations to the Fund; and

18 (E) such sums as are provided by sub-  
19 section (u) of section 8 of the Outer Conti-  
20 nental Shelf Lands Act and section 235 of the  
21 State Enhanced Authority for Coastal and  
22 Ocean Resources Act of 2008.

23 (3) DONATIONS.—The Secretary of the Interior  
24 may solicit and accept donations of funds for deposit  
25 into the Enhancement Fund. Donors may designate

1 the activities under this section that will be funded  
2 by their donation, and the allocation of funds to  
3 each.

4 (4) INVESTMENTS.—The Secretary of the  
5 Treasury shall invest the amounts deposited under  
6 paragraph (2), and all accrued interest on the  
7 amounts deposited under paragraph (2), only in in-  
8 terest bearing obligations of the United States or in  
9 obligations guaranteed as to both principal and in-  
10 terest by the United States.

11 (5) PAYMENT TO THE SECRETARY OF THE IN-  
12 TERIOR.—

13 (A) IN GENERAL.—Beginning with fiscal  
14 year 2009, and in each fiscal year thereafter,  
15 one-third of amounts deposited into the En-  
16 hancement Fund during the previous fiscal  
17 year, together with the interest thereon, shall be  
18 available, without further appropriation and  
19 without fiscal year limitation, to the Secretary  
20 of the Interior for allocation to the Department  
21 of the Interior and the Department of Agri-  
22 culture, under an equitable allocation that the  
23 Secretary of the Interior shall devise, for use  
24 for the purposes described in subsection (b)(4).

1 (B) WITHDRAWALS AND TRANSFER OF  
2 FUNDS.—The Secretary of the Treasury shall  
3 withdraw such amounts from the Enhancement  
4 Fund as the Secretary of the Interior may re-  
5 quest, subject to the limitation in subparagraph  
6 (A), and transfer such amounts to the Sec-  
7 retary of the Interior to be used, at the discre-  
8 tion of the Secretary of the Interior, by the  
9 Minerals Management Service, the Bureau of  
10 Land Management, the National Park Service,  
11 and the United States Fish and Wildlife Serv-  
12 ice, and to the Secretary of Agriculture to be  
13 used by the Forest Service, for the purposes de-  
14 scribed in subsection (b)(4). Each fiscal year  
15 the Secretary of the Interior shall request with-  
16 drawal of one-third of the amounts deposited  
17 into the Enhancement Fund during the pre-  
18 vious fiscal year, together with the interest  
19 thereon.

20 (6) PAYMENT TO STATES.—

21 (A) IN GENERAL.—Beginning with fiscal  
22 year 2009, and in each fiscal year thereafter,  
23 two-thirds of amounts deposited into the En-  
24 hancement Fund, together with interest there-  
25 on, shall be available, without fiscal year limita-

1           tions, to the States for use for the purposes de-  
2           scribed in (b)(4).

3           (B) WITHDRAWALS AND TRANSFER OF  
4           FUNDS.—Within the first 90 days of each fiscal  
5           year, the Secretary of the Treasury shall with-  
6           draw the amounts identified in subparagraph  
7           (A) from the Enhancement Fund and transfer  
8           such amounts to the States based on the pro-  
9           portion of all receipts that were collected the  
10          previous year into the Fund from Federal  
11          leases and other rights, easements, and permis-  
12          sions within the boundaries of each State and  
13          each State’s outer Continental Shelf Adjacent  
14          Zone as determined in accordance with section  
15          4(a) of the Outer Continental Shelf Lands Act  
16          (43 U.S.C. 1333(a)), as amended by this Act.

17          (C) USE OF PAYMENTS BY STATE.—Each  
18          State shall use the payments made under sub-  
19          paragraph (B) only for carrying out projects  
20          and programs for the purposes described in  
21          subsection (b)(4).

22          (D) ENCOURAGE USE OF PRIVATE FUNDS  
23          BY STATE.—Each State shall use the payments  
24          made under subparagraph (B) to leverage pri-

1           vate funds for carrying out projects for the pur-  
2           poses described in subsection (b)(4).

3           (e) LIMITATION ON USE.—Amounts made available  
4 under this section may not be used for the purchase of  
5 any interest in land.

6           (f) REPORTS TO CONGRESS.—

7           (1) IN GENERAL.—Beginning in fiscal year  
8 2010 and continuing for each fiscal year thereafter,  
9 the Secretary of the Interior, the Secretary of Agri-  
10 culture, and each State receiving funds from the En-  
11 hancement Fund shall submit a report to the Com-  
12 mittee on Energy and Natural Resources of the Sen-  
13 ate and the Committee on Natural Resources of the  
14 House of Representatives.

15          (2) REQUIRED INFORMATION.—Reports sub-  
16 mitted to the Congress by the Secretary of the Inte-  
17 rior, the Secretary of Agriculture, and States under  
18 this subsection shall include the following informa-  
19 tion regarding expenditures during the previous fis-  
20 cal year:

21           (A) A summary of pertinent scientific re-  
22 search and surveys conducted to identify im-  
23 pacts on wildlife, fish, and other natural re-  
24 sources from energy and mineral developments.

1 (B) A summary of projects planned and  
2 completed to maintain, improve, or enhance  
3 wildlife and fish populations and their habitats  
4 or other natural resources.

5 (C) A list of additional actions that assist,  
6 or would assist, in managing, including miti-  
7 gating either onsite or offsite, or both, the im-  
8 pacts of energy and mineral development on  
9 wildlife, fish, and other natural resources.

10 (D) A summary of private (non-Federal)  
11 funds used to plan, conduct, and complete the  
12 plans and programs identified in paragraphs  
13 (2)(A) and (2)(B).

14 (g) SHORT TITLE.—This section may be cited as the  
15 “Federal Energy Natural Resources Enhancement Fund  
16 Act of 2008”.

17 **SEC. 218. TERMINATION OF EFFECT OF LAWS PROHIBITING**  
18 **THE SPENDING OF APPROPRIATED FUNDS**  
19 **FOR CERTAIN PURPOSES.**

20 (a) OUTER CONTINENTAL SHELF.—All provisions of  
21 existing Federal law prohibiting the spending of appro-  
22 priated funds to conduct oil and natural gas leasing and  
23 preleasing activities, or to issue a lease to any person, for  
24 any area of the outer Continental Shelf shall have no force  
25 or effect.

1 (b) OIL SHALE AND TAR SANDS.—Section 433 of di-  
2 vision F of the Consolidated Appropriations Act, 2008  
3 (121 Stat. 2152), and all other provisions of existing Fed-  
4 eral law prohibiting the spending of appropriated funds  
5 to issue final commercial leasing regulations or to perform  
6 any other function related to section 369 of the Energy  
7 Policy Act of 2005 (42 U.S.C. 15927) shall have no force  
8 or effect.

9 **SEC. 219. OUTER CONTINENTAL SHELF INCOMPATIBLE**  
10 **USE.**

11 (a) IN GENERAL.—No Federal agency may permit  
12 construction or operation (or both) of any facility, or des-  
13 ignate or maintain a restricted transportation corridor or  
14 operating area on the Federal outer Continental Shelf or  
15 in State waters, that will be incompatible with, as deter-  
16 mined by the Secretary of the Interior, oil and gas or nat-  
17 ural gas leasing and substantially full exploration and pro-  
18 duction of tracts that are geologically prospective for oil  
19 or natural gas (or both).

20 (b) EXCEPTIONS.—Subsection (a) shall not apply to  
21 any facility, transportation corridor, or operating area the  
22 construction, operation, designation, or maintenance of  
23 which is or will be—

1           (1) located in an area of the outer Continental  
2       Shelf that is unavailable for oil and gas or natural  
3       gas leasing by operation of Federal law;

4           (2) used for a military readiness activity (as de-  
5       fined in section 315(f) of Public Law 107–314 (16  
6       U.S.C. 703 note)); or

7           (3) required in the national interest, as deter-  
8       mined by the President.

9       **SEC. 220. REPURCHASE OF CERTAIN LEASES.**

10       (a) **AUTHORITY TO REPURCHASE AND CANCEL CER-**  
11 **TAIN LEASES.**—The Secretary of the Interior shall repur-  
12 chase and cancel any Federal oil and gas, geothermal,  
13 coal, oil shale, tar sands, or other mineral lease, whether  
14 onshore or offshore, but not including any outer Conti-  
15 nental Shelf oil and gas leases that were subject to litiga-  
16 tion in the Court of Federal Claims on January 1, 2008,  
17 if the Secretary finds that such lease qualifies for repur-  
18 chase and cancellation under the regulations authorized  
19 by this section.

20       (b) **REGULATIONS.**—Not later than 365 days after  
21 the date of the enactment of this Act, the Secretary shall  
22 publish a final regulation stating the conditions under  
23 which a lease referred to in subsection (a) would qualify  
24 for repurchase and cancellation, and the process to be fol-



1 lowed regarding repurchase and cancellation. Such regula-  
2 tion shall include, but not be limited to, the following:

3 (1) The Secretary shall repurchase and cancel  
4 a lease after written request by the lessee upon a  
5 finding by the Secretary that—

6 (A) a request by the lessee for a required  
7 permit or other approval complied with applica-  
8 ble law, except the Coastal Zone Management  
9 Act of 1972 (16 U.S.C. 1451 et seq.), and  
10 terms of the lease, and such permit or other ap-  
11 proval was denied;

12 (B) a Federal agency failed to act on a re-  
13 quest by the lessee for a required permit, other  
14 approval, or administrative appeal within a reg-  
15 ulatory or statutory timeframe associated with  
16 the requested action, whether advisory or man-  
17 datory, or if none, within 180 days; or

18 (C) a Federal agency attached a condition  
19 of approval, without agreement by the lessee, to  
20 a required permit or other approval if such con-  
21 dition of approval was not mandated by Federal  
22 statute or regulation in effect on the date of  
23 lease issuance, or was not specifically allowed  
24 under the terms of the lease.

1           (2) A lessee shall not be required to exhaust ad-  
2       ministrative remedies regarding a permit request,  
3       administrative appeal, or other required request for  
4       approval for the purposes of this section.

5           (3) The Secretary shall make a final agency de-  
6       cision on a request by a lessee under this section  
7       within 180 days of the request.

8           (4) Compensation to a lessee to repurchase and  
9       cancel a lease under this section shall be the amount  
10      that a lessee would receive in a restitution case for  
11      a material breach of contract.

12          (5) Compensation shall be in the form of a  
13      check or electronic transfer from the Department of  
14      the Treasury from funds deposited into miscella-  
15      neous receipts under the authority of the same Act  
16      that authorized the issuance of the lease being re-  
17      purchased.

18          (6) Failure of the Secretary to make a final  
19      agency decision on a request by a lessee under this  
20      section within 180 days of the request shall result in  
21      a 10 percent increase in the compensation due to the  
22      lessee if the lease is ultimately repurchased.

23          (c) NO PREJUDICE.—This section shall not be inter-  
24      preted to prejudice any other rights that the lessee would  
25      have in the absence of this section.

1 **SEC. 221. OFFSITE ENVIRONMENTAL MITIGATION.**

2       Notwithstanding any other provision of law, any per-  
3 son conducting activities under the Mineral Leasing Act  
4 (30 U.S.C. 181 et seq.), the Geothermal Steam Act (30  
5 U.S.C. 1001 et seq.), the Mineral Leasing Act for Ac-  
6 quired Lands (30 U.S.C. 351 et seq.), the Weeks Act (16  
7 U.S.C. 552 et seq.), the General Mining Act of 1872 (30  
8 U.S.C. 22 et seq.), the Materials Act of 1947 (30 U.S.C.  
9 601 et seq.), or the Outer Continental Shelf Lands Act  
10 (43 U.S.C. 1331 et seq.), may in satisfying any mitigation  
11 requirements associated with such activities propose miti-  
12 gation measures on a site away from the area impacted  
13 and the Secretary of the Interior shall accept these pro-  
14 posed measures if the Secretary finds that they generally  
15 achieve the purposes for which mitigation measures apper-  
16 tained.

17 **SEC. 222. REGULATION OF ONSHORE SURFACE-DIS-**  
18 **TURBING ACTIVITIES.**

19       Section 17(g) of the Mineral Leasing Act (30 U.S.C.  
20 226(g)) is amended to read as follows:

21       “(g) REGULATION OF SURFACE-DISTURBING ACTIVI-  
22 TIES.—

23               “(1) REGULATION OF SURFACE-DISTURBING  
24 ACTIVITIES.—The Secretary of the Interior, or for  
25 National Forest lands, the Secretary of Agriculture,  
26 shall regulate all surface-disturbing activities con-

1 ducted pursuant to any lease issued under this Act,  
2 and shall determine reclamation and other actions as  
3 required in the interest of conservation of surface re-  
4 sources.

5 “(2) SUBMISSION OF EXPLORATION PLAN; COM-  
6 PLETION REVIEW; COMPLIANCE REVIEW.—

7 “(A) Prior to beginning oil and gas explo-  
8 ration activities, a lessee shall submit an explo-  
9 ration plan to the appropriate Secretary under  
10 paragraph (1) for review.

11 “(B) The Secretary shall review the plan  
12 for completeness within 10 days of submission.

13 “(C) In the event the exploration plan is  
14 determined to be incomplete, the Secretary shall  
15 notify the lessee in writing and specify the  
16 items or information needed to complete the ex-  
17 ploration plan.

18 “(D) The Secretary shall have 10 days to  
19 review any modified exploration plan submitted  
20 by the lessee.

21 “(E) To be deemed complete, an explo-  
22 ration plan shall include, in the degree of detail  
23 to be determined by the Secretary by rule or  
24 regulation—

1 “(i) a drilling plan containing a de-  
2 scription of the drilling program;

3 “(ii) the surface and projected com-  
4 pletion zone location;

5 “(iii) pertinent geologic data;

6 “(iv) expected hazards, and proposed  
7 mitigation measures to address such haz-  
8 ards;

9 “(v) a schedule of anticipated explo-  
10 ration activities to be undertaken;

11 “(vi) a description of equipment to be  
12 used for such activities;

13 “(vii) a certification from the lessee  
14 stating that the exploration plan complies  
15 with all lease, regulatory, and statutory re-  
16 quirements in effect on the date of the  
17 issuance of the lease and any regulations  
18 promulgated after the date of lease  
19 issuance related to the conservation of re-  
20 sources;

21 “(viii) evidence that the lessee has se-  
22 cured an adequate bond, surety, or other  
23 financial arrangement prior to commence-  
24 ment of any surface disturbing activity;

1                   “(ix) a plan that details the complete  
2                   and timely reclamation of the lease tract;  
3                   and

4                   “(x) such other relevant information  
5                   as the Secretary may by regulation require.

6                   “(F) Upon a determination that the explo-  
7                   ration plan is complete, the Secretary shall have  
8                   30 days from the date the plan is deemed com-  
9                   plete to conduct a review of the plan.

10                  “(G) If the Secretary finds the exploration  
11                  plan is not consistent with all statutory and  
12                  regulatory requirements described in subpara-  
13                  graph (E)(vii), the Secretary shall notify the  
14                  lessee with a detailed explanation of such modi-  
15                  fications of the exploration plan as are nec-  
16                  essary to achieve compliance.

17                  “(H) The lessee shall not take any action  
18                  under the exploration plan within a 30-day re-  
19                  view period, or thereafter until the plan has  
20                  been modified to achieve compliance as so noti-  
21                  fied.

22                  “(I) After review by the Secretary provided  
23                  by this subsection, a lessee may operate pursu-  
24                  ant to the plan without further review or ap-  
25                  proval by the Secretary.

1           “(3) PLAN REVISIONS; CONDUCT OF EXPLO-  
2       RATION ACTIVITIES.—

3           “(A) If a significant revision of an explo-  
4       ration plan under this subsection is submitted  
5       to the Secretary, the process to be used for the  
6       review of such revision shall be the same as set  
7       forth in paragraph (1) of this subsection.

8           “(B) All exploration activities pursuant to  
9       any lease shall be conducted in accordance with  
10      an exploration plan that has been submitted to  
11      and reviewed by the Secretary or a revision of  
12      such plan.

13          “(4) SUBMISSION OF DEVELOPMENT AND PRO-  
14      DUCTION PLAN; COMPLETENESS REVIEW; COMPLI-  
15      ANCE REVIEW.—

16          “(A) Prior to beginning oil and gas devel-  
17      opment and production activities, a lessee shall  
18      submit a development and exploration plan to  
19      the appropriate Secretary under paragraph (1).  
20      Upon submission, such plans shall be subject to  
21      a review for completeness.

22          “(B) The Secretary shall review the plan  
23      for completeness within 30 days of submission.

24          “(C) In the event a development and pro-  
25      duction plan is determined to be incomplete, the

1 Secretary shall notify the lessee in writing and  
2 specify the items or information needed to com-  
3 plete the plan.

4 “(D) The Secretary shall have 30 days to  
5 review for completeness any modified develop-  
6 ment and production plan submitted by the les-  
7 see.

8 “(E) To be deemed complete, a develop-  
9 ment and production plan shall include, in the  
10 degree of detail to be determined by the Sec-  
11 retary by rule or regulation—

12 “(i) a drilling plan containing a de-  
13 scription of the drilling program;

14 “(ii) the surface and projected com-  
15 pletion zone location;

16 “(iii) pertinent geologic data;

17 “(iv) expected hazards, and proposed  
18 mitigation measures to address such haz-  
19 ards;

20 “(v) a statement describing all facili-  
21 ties and operations proposed by the lessee  
22 and known by the lessee (whether or not  
23 owned or operated by such lessee) that  
24 shall be constructed or utilized in the de-  
25 velopment and production of oil or gas



1 from the leases areas, including the loca-  
2 tion and site of such facilities and oper-  
3 ations, the land, labor, material, and en-  
4 ergy requirements associated with such fa-  
5 cilities and operations;

6 “(vi) the general work to be per-  
7 formed;

8 “(vii) the environmental safeguards to  
9 be implemented in connection with the de-  
10 velopment and production and how such  
11 safeguards are to be implemented;

12 “(viii) all safety standards to be met  
13 and how such standards are to be met;

14 “(ix) an expected rate of development  
15 and production and a time schedule for  
16 performance;

17 “(x) a certification from the lessee  
18 stating that the development and produc-  
19 tion plan complies with all lease, regu-  
20 latory, and statutory requirements in effect  
21 on the date of issuance of the lease, and  
22 any regulations promulgated after the date  
23 of lease issuance related to the conserva-  
24 tion of resources;

1           “(xi) evidence that the lessee has se-  
2           cured an adequate bond, surety, or other  
3           financial arrangement prior to commence-  
4           ment of any surface disturbing activity;

5           “(xii) a plan that details the complete  
6           and timely reclamation of the lease tract;  
7           and

8           “(xiii) such other relevant information  
9           as the Secretary may by regulation require.

10          “(F) Upon a determination that the devel-  
11          opment and production plan is complete, the  
12          Secretary shall have 120 days from the date the  
13          plan is deemed complete to conduct a review of  
14          the plan.

15          “(G) If the Secretary finds the develop-  
16          ment and production plan is not consistent with  
17          all statutory and regulatory requirements de-  
18          scribed in subparagraph (E)(x), the Secretary  
19          shall notify the lessee with a detailed expla-  
20          nation of such modifications of the development  
21          and production plan as are necessary to achieve  
22          compliance.

23          “(H) The lessee shall not take any action  
24          under the development and production plan  
25          within a 120-day review period, or thereafter

1           until the plan has been modified to achieve  
2           compliance as so notified.

3           “(5) PLAN REVISIONS; CONDUCT OF DEVELOP-  
4           MENT AND PRODUCTION ACTIVITIES.—

5                   “(A) If a significant revision of a develop-  
6           ment and production plan under this subsection  
7           is submitted to the Secretary, the process to be  
8           used for the review of such revision shall be the  
9           same as set forth in paragraph (4) of this sub-  
10          section.

11                   “(B) All development and production ac-  
12          tivities pursuant to any lease shall be conducted  
13          in accordance with a development and produc-  
14          tion plan that has been submitted to and re-  
15          viewed by the Secretary or a revision of such  
16          plan.

17           “(6) CANCELLATION OF LEASE ON FAILURE TO  
18          SUBMIT PLAN OR COMPLY WITH APPROVED PLAN.—

19          Whenever the owner of any lease fails to submit a  
20          plan in accordance with regulations issued under  
21          this section, or fails to comply with a plan, the lease  
22          may be canceled in accordance with section 31. Can-  
23          cellation of a lease under this paragraph because of  
24          failure to comply with a plan, including required

1 modifications or revisions, shall not entitle a lessee  
 2 to any compensation.”.

3 **SEC. 223. RENAMING OF MINERALS MANAGEMENT SERV-**  
 4 **ICE.**

5 The bureau known as the “Minerals Management  
 6 Service” in the Department of the Interior shall be known  
 7 as the “National Ocean Resources and Royalty Service”.

8 **SEC. 224. AUTHORITY TO USE DECOMMISSIONED OFF-**  
 9 **SHORE OIL AND GAS PLATFORMS AND**  
 10 **OTHER FACILITIES FOR ARTIFICIAL REEF,**  
 11 **SCIENTIFIC RESEARCH, OR OTHER USES.**

12 (a) SHORT TITLE.—This section may be cited as the  
 13 “Rigs to Reefs Act of 2008”.

14 (b) IN GENERAL.—The Outer Continental Shelf  
 15 Lands Act (43 U.S.C. 1301 et seq.) is amended by insert-  
 16 ing after section 9 the following:

17 **“SEC. 10. USE OF DECOMMISSIONED OFFSHORE OIL AND**  
 18 **GAS PLATFORMS AND OTHER FACILITIES**  
 19 **FOR ARTIFICIAL REEF, SCIENTIFIC RE-**  
 20 **SEARCH, OR OTHER USES.**

21 “(a) IN GENERAL.—The Secretary shall issue regula-  
 22 tions under which the Secretary may authorize use of an  
 23 offshore oil and gas platform or other facility that is de-  
 24 commissioned from service for oil and gas purposes for  
 25 an artificial reef, scientific research, or any other use au-

1 thorized under section 8(p) or any other applicable Fed-  
2 eral law.

3 “(b) TRANSFER REQUIREMENTS.—The Secretary  
4 shall not allow the transfer under this section of a decom-  
5 missioned offshore oil and gas platform or other facility  
6 to another person unless the Secretary is satisfied that  
7 the transferee is sufficiently bonded, endowed, or other-  
8 wise financially able to fulfill its obligations, including but  
9 not limited to—

10 “(1) ongoing maintenance of the platform or  
11 other facility;

12 “(2) any liability obligations that might arise;

13 “(3) removal of the platform or other facility if  
14 determined necessary by the Secretary; and

15 “(4) any other requirements and obligations  
16 that the Secretary may deem appropriate by regula-  
17 tion.

18 “(c) PLUGGING AND ABANDONMENT.—The Sec-  
19 retary shall ensure that plugging and abandonment of  
20 wells of a decommissioned offshore oil and gas platform  
21 is accomplished at an appropriate time.

22 “(d) POTENTIAL TO PETITION TO OPT-OUT OF REG-  
23 ULATIONS.—An Adjacent State acting through a resolu-  
24 tion of its legislature, with concurrence of its Governor,  
25 may preliminarily petition to opt-out of the application of

1 regulations promulgated under this section to platforms  
2 and other facilities located in the area of its Adjacent Zone  
3 within 12 miles of the coastline. Upon receipt of the pre-  
4 liminary petition, the Secretary shall complete an environ-  
5 mental assessment that documents the anticipated envi-  
6 ronmental effects of approving the petition. The Secretary  
7 shall provide the environmental assessment to the State,  
8 which then has the choice of no action or confirming its  
9 petition by further action of its legislature, with the con-  
10 currence of its Governor. The Secretary may except such  
11 area from the application of such regulations, and shall  
12 approve any confirmed petition.

13       “(e) LIMITATION ON LIABILITY.—A person that had  
14 used an offshore oil and gas platform or other facility for  
15 oil and gas purposes and that no longer has any ownership  
16 or control of the platform or other facility shall not be  
17 liable under Federal law for any costs or damages arising  
18 from such platform or other facility after the date the plat-  
19 form or other facility is used for any purpose under sub-  
20 section (a), unless such costs or damages arise from—

21               “(1) use of the platform or other facility by the  
22               person for development or production of oil or gas;  
23               or

24               “(2) another act or omission of the person.

1 “(f) OTHER LEASING AND USE NOT AFFECTED.—

2 This section, and the use of any offshore oil and gas plat-

3 form or other facility for any purpose under subsection

4 (a), shall not affect—

5 “(1) the authority of the Secretary to lease any

6 area under this Act; or

7 “(2) any activity otherwise authorized under

8 this Act.”.

9 (c) DEADLINE FOR REGULATIONS.—The Secretary of

10 the Interior shall issue regulations under subsection (b)

11 by not later than 180 days after the date of the enactment

12 of this Act.

13 (d) STUDY AND REPORT ON EFFECTS OF REMOVAL

14 OF PLATFORMS.—Not later than one year after the date

15 of enactment of this Act, the Secretary of the Interior,

16 in consultation with other Federal agencies as the Sec-

17 retary deems advisable, shall study and report to the Con-

18 gress regarding how the removal of offshore oil and gas

19 platforms and other facilities from the outer Continental

20 Shelf would affect existing fish stocks and coral popu-

21 lations.

22 **SEC. 225. MINING AND PETROLEUM SCHOOLS.**

23 (a) ENERGY AND MINERAL SCHOOLS REINVEST-

24 MENT ACT FUND.—

1           (1) ENERGY AND MINERAL SCHOOLS REINVEST-  
2       MENT ACT FUND.—There is established in the  
3       Treasury a separate account to be known as the  
4       “Energy and Mineral Schools Reinvestment Act  
5       Fund” (in this section referred to as the “EMSRA  
6       Fund”).

7           (2) FUNDING.—The Secretary of the Treasury  
8       shall deposit in the EMSRA Fund—

9           (A) such sums as are provided by sections  
10       9(b)(5)(A)(iv) and 9(b)(5)(B)(iv) of the Outer  
11       Continental Shelf Lands Act, as amended by  
12       this Act;

13          (B)(i) during the period of October 1,  
14       2008, through September 30, 2018, one percent  
15       of all sums paid into the Treasury under sec-  
16       tion 35 of the Mineral Leasing Act (30 U.S.C.  
17       191); and

18          (ii) beginning October 1, 2018, and there-  
19       after, 2.5 percent of all sums paid into the  
20       Treasury under section 35 of the Mineral Leas-  
21       ing Act (30 U.S.C. 191);

22          (C)(i) during the period of October 1,  
23       2008, through September 30, 2018, one percent  
24       of all sums paid into the Treasury from receipts  
25       derived from bonus bids, royalties, rentals, and



1 other receipts from other mineral and energy  
2 leasing, rights, easements, and other permis-  
3 sions to operate on public lands; and

4 (ii) beginning October 1, 2018, and there-  
5 after, 2.5 percent of all sums paid into the  
6 Treasury from receipts derived from bonus bids,  
7 royalties, rentals, and other receipts from other  
8 mineral and energy leasing, rights, easements,  
9 and other permissions to operate on public  
10 lands;

11 (D) donations received under paragraph  
12 (4);

13 (E) amounts referred to in section 2325 of  
14 the Revised Statutes; and

15 (F) such sums as are provided by sub-  
16 section (u) of section 8 of the Outer Conti-  
17 nental Shelf Lands Act and section 235 of the  
18 State Enhanced Authority for Coastal and  
19 Ocean Resources Act of 2008.

20 (3) INVESTMENTS.—The Secretary of the  
21 Treasury shall invest the amounts deposited under  
22 paragraph (2), and all accrued interest on the  
23 amounts deposited under paragraph (2), only in in-  
24 terest bearing obligations of the United States or in

1 obligations guaranteed as to both principal and in-  
2 terest by the United States.

3 (4) DONATIONS.—The Secretary of the Interior  
4 may solicit and accept donations of funds for deposit  
5 into the EMSRA Fund. Donors may designate which  
6 activities under this section that will be funded by  
7 their donation, and the allocation of funds to each.

8 (5) PAYMENT TO THE SECRETARY OF THE IN-  
9 TERIOR.—

10 (A) IN GENERAL.—Beginning with fiscal  
11 year 2009, and in each fiscal year thereafter,  
12 the amounts deposited into the EMSRA Fund,  
13 shall be available, without further appropriation  
14 and without fiscal year limitations, to the Sec-  
15 retary of the Interior for use to carry out the  
16 Energy and Minerals Schools Reinvestment Act,  
17 as amended by subsection (b).

18 (B) WITHDRAWALS AND TRANSFER OF  
19 FUNDS.—The Secretary of the Treasury shall  
20 withdraw such amounts from the EMSRA  
21 Fund as were deposited in the previous fiscal  
22 year, together with interest thereon, and trans-  
23 fer such amounts to the Secretary of the Inte-  
24 rior to be used, at the discretion of the Sec-

1           retary of the Interior to carry out the Energy  
2           and Mineral Schools Reinvestment Act.

3           (b) MAINTENANCE AND RESTORATION OF EXISTING  
4 AND HISTORIC PETROLEUM AND MINING ENGINEERING  
5 PROGRAMS.—Public Law 98–409 (30 U.S.C. 1221 et  
6 seq.) is amended to read as follows:

7   **“SECTION 1. SHORT TITLE.**

8           “‘This Act may be cited as the ‘Energy and Mineral  
9 Schools Reinvestment Act’.

10 **“SEC. 2. TABLE OF CONTENTS.**

11           “‘The table of contents for this Act is as follows:

“Sec. 1. Short title.

“Sec. 2. Table of contents.

“Sec. 3. Policies.

“Sec. 4. Energy engineering.

“Sec. 5. Mining engineering.

“Sec. 6. Applied geology and applied geophysics schools.

“Sec. 7. Physical science, engineering and technology scholarship program.

“Sec. 8. Career technical education.

“Sec. 9. Administration.

“Sec. 10. Applications for funding and duties of receiving schools and individuals.

“Sec. 11. Advisory Committee.

“Sec. 12. Program scholarships & fellowships.

“Sec. 13. Annual funding.

“Sec. 14. Studies.

12 **“SEC. 3. POLICIES.**

13           “‘It is the policy of the United States to—

14           “(1) maintain the human capital needed to pre-  
15 serve and foster the economic, energy, and mineral  
16 resources security of the United States. The chem-  
17 ical, petroleum and mining engineering programs  
18 and the applied geology and geophysics programs at

1 schools, universities, and institutions that produce  
2 the human capital are national assets and will be as-  
3 sisted with Federal funds to ensure their continued  
4 good health and existence;

5 “(2) develop the Nation’s energy and mineral  
6 resources in a fashion that fosters community-based  
7 economic and environmental sustainability, sound  
8 environmental protection, productive secondary use  
9 of the involved lands, and ensures effective, efficient  
10 and economically-sound reclamation that supports  
11 sustainable communities. In order to achieve these  
12 goals it is the policy of the United States to support  
13 continuing research into the scientific and engineer-  
14 ing fundamentals of energy and mineral resource ex-  
15 traction, paying heed to all matters of operational  
16 safety and efficiency;

17 “(3) support the Nation’s petroleum and min-  
18 ing schools in conducting continuing research into  
19 the optimization of the extraction and reclamation  
20 operations by encouraging the integration of public  
21 policy, law, economics, environmental management  
22 and engineering into activities that foster sustain-  
23 able energy and mineral development; and

24 “(4) establish research priorities and edu-  
25 cational policies that will enhance the principles of

1 domestic free enterprise, protect America's competi-  
2 tive edge, and promote the ability of the U.S. indus-  
3 trial economy to compete effectively in the world  
4 marketplace of the 21st century for the benefit of all  
5 of the citizens of the Nation.

6 **“SEC. 4. ENERGY ENGINEERING.**

7 “(a) RECOGNIZED ENERGY SCHOOLS.—Recognized  
8 Energy Schools are those schools, universities, or edu-  
9 cational institutions that have programs that meet the  
10 specific program criteria for chemical engineering, petro-  
11 leum engineering or natural gas engineering and that are  
12 accredited on the date of enactment of by ABET, Inc.,  
13 of Baltimore, Maryland, and that are actively pursuing re-  
14 search and development programs that meet the objectives  
15 of subsection (d).

16 “(b) NEW ENERGY SCHOOLS, 2+2 DEGREE PRO-  
17 GRAMS, MINORITY SERVING INSTITUTIONS.—

18 “(1) A school, university, or educational institu-  
19 tion that seeks to establish a energy school shall be  
20 treated as a recognized school for purposes of this  
21 Act if it establishes a chemical, petroleum or natural  
22 gas engineering program that meets the specific pro-  
23 gram criteria and receives accredited as such by  
24 ABET, Inc., and agrees to the conditions of sub-  
25 section (c).

1           “(2) Any partnership between a recognized en-  
2           ergy school as defined in subsection (a) and a aca-  
3           demic program at another institution at which the  
4           successful completion of an associate’s degree in en-  
5           gineering that will allow the student to continue to  
6           complete a bachelor’s degree in Chemical, Petroleum  
7           Engineering or Natural Gas Engineering shall be  
8           treated as a recognized school for the purposes of re-  
9           ceiving funds under this Act. The program receiving  
10          funding shall be the recognized petroleum school,  
11          which shall distribute the funding in a manner  
12          agreed to by the partnership and approved by the  
13          Secretary.

14          “(3) A minority serving institution that estab-  
15          lishes a program in petroleum engineering or that  
16          participates in a partnership described in subsection  
17          (b)(2) shall in addition to the R&D funding made  
18          available under this Act be eligible to receive by au-  
19          thorized transfer, appropriate federally owned equip-  
20          ment that will support the development of such pro-  
21          grams.

22          “(4) The Secretary shall authorize the sta-  
23          tioning of appropriate Departmental personnel at all  
24          newly established institutions to serve as advisors,

1       mentors and adjunct faculty for a period of not more  
2       than 5 years.

3           “(5) The Secretary shall provide to faculty and  
4       students in newly established minority serving pro-  
5       grams substantial opportunity to participate in col-  
6       laborative research projects that are directly related  
7       to the Departmental missions, allow faculty and stu-  
8       dents in these programs to participate available Fed-  
9       eral training activities as Departmental employees;  
10      and provide funding for paid internships in agency  
11      facilities for students in these programs. When De-  
12      partmental funding is sufficient, all such participa-  
13      tion in training shall be at no cost to the institutions  
14      or the participants.

15      “(c) REQUIREMENTS TO BE MET FOR R&D FUND-  
16      ING FOR PARTICIPATING SCHOOLS.—Each school, univer-  
17      sity, or institution receiving funds under this section  
18      shall—

19           “(1) agree to maintain programs to train un-  
20      dergraduate and graduate petroleum engineers for  
21      10 years after the date of the last receipt of funds  
22      under this section;

23           “(2) take the steps described in its application  
24      for funding to increase the number of undergraduate

1 and graduate students enrolled in and completing  
2 the program of study; and

3 “(3) carry out research, investigations, dem-  
4 onstrations, and experiments in a manner that will  
5 enhance undergraduate and graduate education in  
6 petroleum engineering.

7 “(d) RESEARCH AND DEVELOPMENT OBJECTIVES.—

8 “(1) The schools receiving funding under this  
9 section shall use such funds to conduct research in  
10 chemical engineering, petroleum engineering, natural  
11 gas engineering, drilling or production engineering,  
12 reservoir management, and formation evaluation as  
13 applied to hydrocarbon systems science as defined in  
14 section 5005 of Public Law 110–69, the America  
15 COMPETES Act of 2007, while providing edu-  
16 cational opportunities for students, paying particular  
17 emphasis on undergraduate education.

18 “(2) The research funded by this Act may in-  
19 clude, but is not limited to the following:

20 “(A) Developing improvements in drilling  
21 engineering and technology for both offshore  
22 and onshore activities that will enhance the  
23 safety, cost effectiveness, and environmental  
24 soundness of drilling and well completion oper-  
25 ations.



1           “(B) Studying reservoir characterization,  
2           modeling and engineering to improve recovery  
3           in aging fields with the goal of maximizing re-  
4           covery while accommodating economic and oper-  
5           ational constraints.

6           “(C) Developing new production system  
7           technology for low permeability formations and  
8           the applying new technology to improve the per-  
9           formance of fields in such formations.

10          “(D) Developing energy efficient lift sys-  
11          tems and improving fluid flow and separation  
12          systems.

13          “(E) Expanding carbon capture and se-  
14          questration research, conducting field dem-  
15          onstrations on an operational scale and exam-  
16          ining the utilization of carbon dioxide and other  
17          greenhouse gases to enhance the recovery at  
18          aging fields.

19          “(F) Developing methodologies and tech-  
20          nologies for the commercial and environ-  
21          mentally sound production of methane hydrates,  
22          oil shale and other non-conventional petroleum  
23          resources.

24          “(G) Developing applied strategies and  
25          technology that minimize the surface expression

1 of drilling and production activities that mini-  
2 mize environmental impact of the immediate re-  
3 source development.

4 “(3) To the extent that the research programs  
5 goals listed in subsection (b) overlap with the re-  
6 search goals of section 6(d), funding under this Act  
7 is appropriate. Petroleum engineering and petroleum  
8 geology and geophysics programs at a single institu-  
9 tion are encouraged to develop joint proposals for  
10 funding under this Act.

11 “(4) As a general rule, research funded under  
12 this section shall be related to the immediate pro-  
13 duction of oil and natural gas resources, the imme-  
14 diate on-site processing of produced resources and  
15 their placement into the distribution systems.

16 “(e) PETROLEUM AND NATURAL GAS TECHNOLOGY  
17 PROGRAMS.—

18 “(1) Where appropriate, the Secretary may  
19 make funds available to programs in engineering  
20 technology that award either associate or bacca-  
21 laureate degrees in engineering technology, provided  
22 that such programs provide training and produce  
23 outcomes that qualify graduates for employment in  
24 the petroleum industry.

1           “(2) The Secretary shall base the availability of  
2           such funds on the presence of an approved program  
3           in engineering technology or industrial technology  
4           that is focused on technology and its use in energy,  
5           natural gas and petroleum production, processing  
6           and related maintenance, operational safety.

7           “(3) Programs that are focused on federally-ap-  
8           proved energy infrastructure protection and security,  
9           granting either an associate’s degree or a bacca-  
10          laureate degree shall be eligible for funding.

11          “(4) Funds made available as grants by the  
12          Secretary shall be for three-year increments to sup-  
13          port these programs for a period not to exceed 12  
14          years, but all Federal funds must be matched with  
15          State and or industry funds at a rate of twice that  
16          of the amount granted by the Secretary. Funding  
17          may be used to acquire and maintain equipment  
18          used for classroom and laboratory training purposes,  
19          except that any underground training facilities shall  
20          be subject to the provision of section 10(f).

21          “(5) In the absence of a nationally recognized  
22          accreditation or certification processes for petro-  
23          leum-related engineering technology programs, the  
24          Secretary shall request the committee created by  
25          section 11 to examine requesting programs and the

1 outcomes of the programs to determine if it is ap-  
2 propriate to provide funding to the programs.

3 **“SEC. 5. MINING ENGINEERING.**

4 “(a) RECOGNIZED MINING SCHOOLS DEFINED.—  
5 Recognized mining schools are those schools, universities,  
6 or educational institutions that meet the specific program  
7 criteria for mining or mineral engineering and that are  
8 accredited on the date of enactment of by ABET, Inc.,  
9 of Baltimore, Maryland.

10 “(b) NEW MINING SCHOOLS, 2+2 DEGREE PRO-  
11 GRAMS, MINORITY SERVING INSTITUTIONS.—

12 “(1) A school, university, or educational institu-  
13 tion that seeks to establish a mining or mineral en-  
14 gineering program shall be treated as a recognized  
15 mining school for purposes of this Act if it estab-  
16 lishes a mining or mineral engineering program that  
17 meets the specific program criteria and is accredited  
18 as such by ABET, Inc., and agrees to the conditions  
19 of subsection (c).

20 “(2) Any partnership between a recognized  
21 mining school and an academic program at another  
22 institution at which the successful completion of an  
23 associate’s degree in engineering that will allow the  
24 student to continue to complete a Bachelor’s degree  
25 in Mining or Mineral Engineering shall be treated as

1 a recognized mining school for the purposes of this  
2 Act. The program receiving funding shall be the rec-  
3 ognized mining school, which shall distribute the  
4 funding in a manner agreed to by the partnership  
5 and approved by the Secretary.

6 “(3) A minority serving institution that estab-  
7 lishes a program in Mining or Mineral Engineering  
8 or that participates in a partnership described in  
9 subsection (b)(2) shall in addition to the R&D fund-  
10 ing made available under this Act be eligible to re-  
11 ceive by authorized transfer, appropriate federally  
12 owned equipment that will support the development  
13 of such programs.

14 “(4) The Secretary shall authorize the sta-  
15 tioning of appropriate Departmental personnel at all  
16 newly established institutions to serve as advisors,  
17 mentors and adjunct faculty for a period of not more  
18 than 5 years.

19 “(5) The Secretary shall provide to faculty and  
20 students in newly established minority serving pro-  
21 grams substantial opportunity to participate in col-  
22 laborative research projects that are directly related  
23 to the Departmental missions, allow faculty and stu-  
24 dents in these programs to participate available Fed-  
25 eral training activities as Departmental employees;

1       and provide funding for paid internships in agency  
2       facilities for students in these programs. When De-  
3       partmental funding is sufficient, all such participa-  
4       tion in training shall be at no cost to the institutions  
5       or the participants.

6       “(c) REQUIREMENTS TO BE MET FOR R&D FUND-  
7       ING FOR PARTICIPATING SCHOOLS.—Each school, univer-  
8       sity, or institution receiving funds under this section  
9       shall—

10           “(1) agree to maintain programs to train un-  
11       dergraduate and graduate mining and mineral engi-  
12       neers for 10 years after the date of the last receipt  
13       of funds under this section;

14           “(2) take steps described in its application for  
15       funding to increase the number of undergraduate  
16       and graduate students enrolled in and completing  
17       the programs of study;

18           “(3) take steps to increase the Nation’s future  
19       mining and mineral engineering professorial corps by  
20       maintaining and encouraging participation of United  
21       States citizens in PhD programs; and

22           “(4) carry out research, investigations, dem-  
23       onstrations, and experiments in a manner that will  
24       enhance undergraduate and graduate education in  
25       mining, and mineral engineering.

1 “(d) RESEARCH AND DEVELOPMENT GOALS.—

2 “(1) The schools receiving are to use funding  
3 under this section to conduct research in the produc-  
4 tion of conventional and non-conventional solid-min-  
5 eral fuel resources, metallic and non-metallic mineral  
6 resources, including industrial mineral resources,  
7 and the production of stone, sand, and gravel.

8 “(2) Research funded by this Act related to  
9 production shall include but not be limited to—

10 “(A) improving mining and mineral extrac-  
11 tion methods, mine equipment automation, ma-  
12 terials handling, and mine production tech-  
13 nology and systems;

14 “(B) improving technology directly related  
15 to miners safety, and the prevention of mining  
16 injury and mining-related diseases;

17 “(C) improving mine ventilation and sim-  
18 ulation;

19 “(D) fundamental and applied rock me-  
20 chanics, including catastrophic failure detection  
21 and prevention and the stability of surface and  
22 underground excavations for both mining and  
23 post-mining purposes;

1           “(E) research into the basic science and  
2           engineering of deep mines, petroleum reserves,  
3           and deep engineered underground structures;

4           “(F) scale effects in terms of size and  
5           time, as it is related to open-pit mining, includ-  
6           ing estimating rock mass strength of large  
7           slopes and transitioning from open pit to under-  
8           ground mining methods;

9           “(G) explosives engineering improvement,  
10          rock cutting and fragmentation analysis and op-  
11          timization of rock breakage processes;

12          “(H) improving environmental manage-  
13          ment and reclamation technology, and reclama-  
14          tion practices for active operations;

15          “(I) the development of re-mining systems  
16          and technologies to facilitate reclamation that  
17          fosters the ultimate recovery of resources and  
18          the utilization of mined materials that are not  
19          currently used in the materials manufacturing  
20          process;

21          “(J) development or improvement of mine  
22          production and processing designs and methods  
23          to minimize energy and water consumption, de-  
24          velop use of alternative energy sources, and  
25          minimization of surface impacts;



1           “(K) the engineering economics evaluation  
2           of mineral resource production, including issues  
3           relating to sustainable development, foreign  
4           competition for resources, supply and demand  
5           for resources, resource depletion, and sustaining  
6           supplies of critical and strategic resources;

7           “(L) fundamental and applied research on  
8           mineral processing, including comminution, flo-  
9           tation, hydrometallurgy, pyrometallurgy, and bi-  
10          ological influences on processing and extracting  
11          minerals;

12          “(M) solid-liquid separation in mineral  
13          beneficiation, such as dewatering of the con-  
14          centrates and recycling of washing water in a  
15          concentrator; and

16          “(N) development of environment-oriented  
17          waste water treatment technology applied in  
18          mining industry to minimize the impact of the  
19          acid mine drainage and the tailing water on the  
20          surrounding environments.

21          “(3) As a general rule, research funded under  
22          this section shall be related to the immediate pro-  
23          duction of mineral and earth material resources, the  
24          immediate crushing, milling, processing,  
25          beneficiation, smelting, or refining of the resources

1 and shall not include primary fabrication or manu-  
2 facturing. Downstream research is not appropriately  
3 funded under this section. Proposals fostering and  
4 providing the scientific and engineering basis for  
5 sustainable development are appropriately funded  
6 under this section.

7 “(4) Research recommendations made by the  
8 National Academy prior to the date of enactment  
9 shall be properly funded under this section if the  
10 Secretary, as advised by the Committee established  
11 by section 11, finds that recommended research con-  
12 tinues to have merit.

13 “(e) MINING ENGINEERING TECHNOLOGY PRO-  
14 GRAMS.—

15 “(1) Where appropriate, the Secretary may  
16 make funds available to programs in engineering  
17 technology that award either associate and bacca-  
18 laureate degrees in engineering technology, provided  
19 that such programs provide training and produce  
20 outcomes that qualify graduates for employment in  
21 the mining industry in positions in mineral produc-  
22 tion, mining facilities construction, mineral prepara-  
23 tion, mining equipment maintenance or sales, main-  
24 tenance of environmental controls and other posi-  
25 tions that assist mining engineers.

1           “(2) The funds may be made available as  
2           grants by the Secretary in not more than three-year  
3           increments to support these programs for a period  
4           not to exceed 12 years, but all Federal funds must  
5           be matched with State and or industry funds at a  
6           rate of twice that of the amount granted by the Sec-  
7           retary. Funding may be used to acquire and main-  
8           tain equipment used for classroom and practical  
9           training purposes; except that any underground  
10          training facilities shall be subject to the provision of  
11          section 10(f).

12           “(3) In the absence of a nationally recognized  
13          accreditation program for mining engineering tech-  
14          nology, the Secretary shall request the committee  
15          created by section 11 to examine the program and  
16          the outcomes of the programs to determine if it is  
17          appropriate to provide funding to the program.

18   **“SEC. 6. APPLIED GEOLOGY AND APPLIED GEOPHYSICS**  
19               **SCHOOLS.**

20           “(a) RECOGNIZED APPLIED GEOLOGY AND GEO-  
21   PHYSICS PROGRAMS.—

22           “(1) For purposes of receiving funds under this  
23   Act, recognized applied geology and geophysics  
24   schools are those schools that have as of the date of

1 this Act programs of undergraduate and graduate  
2 education and research in—

3 “(A) geological engineering that is accred-  
4 ited on the date of enactment of this Act by  
5 ABET, Inc., of Baltimore, Maryland, and which  
6 is focused on petroleum or natural gas produc-  
7 tion, the production of mineral resources, and  
8 the development of permanent underground  
9 workings as demonstrated by the curriculum  
10 and the expertise of the existing faculty; and

11 “(B) geophysical engineering that is ac-  
12 credited on the date of enactment by ABET,  
13 Inc., of Baltimore, Maryland, and which is fo-  
14 cused on the discovery and development of oil,  
15 gas, mineral deposits or assisting in the place-  
16 ment of large engineered structures as dem-  
17 onstrated by the curriculum and the expertise  
18 of the existing faculty.

19 “(2) Recognized applied geology and geophysics  
20 programs shall also be those that the Secretary de-  
21 termines to be acceptable under subsection (b)(2)  
22 and section 11(d) and that have undergraduate and  
23 graduate programs of research and education in—

24 “(A) the geology and geophysics of conven-  
25 tional or non-conventional petroleum deposits;

1           “(B) the geology and geophysics of the de-  
2           velopment of all forms of geothermal energy;  
3           and

4           “(C) the geology and geophysics of explo-  
5           ration for mineral resources, including coal and  
6           like substances, metallic and non-metallic min-  
7           eral resources, including industrial minerals,  
8           and stone, sand, and gravel.

9           “(b) APPLIED GEOLOGY AND GEOPHYSICS PROGRAM  
10       CRITERIA.—

11           “(1) Programs listed in subsection (a) with the  
12           focus and the nationally recognized accreditation  
13           through ABET, Inc., of Baltimore, Maryland, shall  
14           be deemed as recognized programs, provided that  
15           the program focus is similar to that found in sub-  
16           section (a)(1).

17           “(2) In the absence of a nationally recognized  
18           accreditation program for the applied geology and  
19           geophysics programs listed in this section, the Sec-  
20           retary shall request the committee created by section  
21           11 to examine the program and the outcomes of the  
22           programs to determine if it is appropriate to provide  
23           funding to the program.

24           “(c) REQUIREMENTS TO BE MET FOR R&D FUND-  
25       ING FOR PARTICIPATING SCHOOLS.—

1           “(1) Each school, university, or institution re-  
2           ceiving funds under this section shall—

3                   “(A) agree to maintain programs to train  
4           undergraduate and graduate students for not  
5           less than 10 years after the date of the last re-  
6           ceipt of funds under this section;

7                   “(B) take steps described in its application  
8           for funding to increase the number of under-  
9           graduate and graduate students enrolled in and  
10          completing the programs of study;

11                  “(C) increase the Nation’s future pro-  
12          fessorial corps through maintaining existing  
13          Ph.D. programs that place particular emphasis  
14          on the training of United States citizens; and

15                  “(D) carry out research, investigations,  
16          demonstrations, and experiments in a manner  
17          that will enhance undergraduate and graduate  
18          education in their respective programs areas.

19           “(2) As a general rule, research funded under  
20          this section shall be related to the exploration for  
21          and the production of deposits of conventional and  
22          unconventional oil and natural gas, coal and like  
23          substances, geothermal systems, metallic and non-  
24          metallic minerals, industrial minerals and stone sand  
25          and gravel. Research into the immediate on-site

1 processing of produced resources and their place-  
2 ment into the distribution systems is appropriate  
3 under this section. Research directly related to the  
4 formation and distribution of mineral deposits in  
5 space and time, and research on the availability of  
6 critical and strategic minerals to the Nations indus-  
7 trial economy is appropriately funded under this sec-  
8 tion. Research of the downstream usage of mined  
9 materials is not appropriately funded under this Act.

10 “(d) RESEARCH AND DEVELOPMENT GOALS FOR AP-  
11 PLIED GEOLOGY AND GEOPHYSICS PROGRAMS.—

12 “(1) Research funded by this Act related to ge-  
13 ological engineering may include, but is not limited  
14 to—

15 “(A) development of numerical  
16 geomechanics models for rock fracture, frag-  
17 mentation, material flow, surface and under-  
18 ground structure stability including computer  
19 infrastructure for large computational models;

20 “(B) analysis of coupled geological proc-  
21 esses, including mechanical, hydrological, chem-  
22 ical, thermal, time-dependent processes, and in  
23 particular, those applicable to nuclear waste  
24 disposal, deep underground excavations, and  
25 surface weathering;

1           “(C) development of improved rock support  
2           systems including, but not limited to methods  
3           such as bolts, shotcrete, and epoxy systems, im-  
4           proved modeling methods to predict the inter-  
5           action of rock and rock support methods;

6           “(D) modeling the effects of seismicity on  
7           surface and subsurface earth structures, includ-  
8           ing earthquake prediction to those structures;

9           “(E) modeling and analyzing mining and  
10          constructibility issues in surface and under-  
11          ground operations in weak rock;

12          “(F) development of monitoring equipment  
13          for surface and underground structure stability;

14          “(G) integration of modeling, sampling,  
15          analysis, and interpretation methods to combine  
16          geo-related parameters for integrated system  
17          response to resource development, reclamation  
18          and environmental management;

19          “(H) development of improved geochemical  
20          sensing systems/equipment and integration/un-  
21          derstanding of complex geochemical environ-  
22          ments for exploration, production, and reclama-  
23          tion; and

24          “(I) improved remote sensing technology  
25          and interpretation for exploration, production,



1 and reclamation of a site, including detection  
2 and monitoring of subsidence, earth stresses,  
3 ground stability related to resource develop-  
4 ment.

5 “(2) Research funded by this Act related to  
6 geophysical engineering may include but is not lim-  
7 ited to—

8 “(A) development of or improvement of  
9 three dimensional and time-dependent numer-  
10 ical models of geophysical methods for earth  
11 models related to energy and mineral resources;

12 “(B) development of new sensor tech-  
13 nologies for aerial, surface, subsurface, bore-  
14 hole, and machine deployment for improved res-  
15 olution with depth and time and improved dis-  
16 crimination of physical and chemical properties  
17 of the rock mass and dimensions of the target  
18 of interest during the exploration, development,  
19 production or reclamation phases of a site;

20 “(C) development of smart sensor net-  
21 works for improved resolution with depth or  
22 time (or both) of physical and chemical prop-  
23 erties of energy and mineral resources during  
24 the exploration, development, production, and  
25 reclamation phases of a site;

1           “(D) development of integrated interpreta-  
2           tion methods and data fusion methods for geo-  
3           physical, geological, and ancillary data during  
4           the exploration, development, production, and  
5           reclamation phases;

6           “(E) creation of publicly available data-  
7           bases of geophysical datasets, interpretations,  
8           modeling codes that are not in violation of prior  
9           confidentiality agreements;

10          “(F) development of geosensing tech-  
11          nologies to aid in production, equipment auto-  
12          mation, and smart systems;

13          “(G) developing the next generation of geo-  
14          physical sensors for detecting the geophysical  
15          attributes of mineral deposits masked by vege-  
16          tation and/or hidden under cover of unconsoli-  
17          dated materials; and

18          “(H) development of systems to detect un-  
19          derground mine voids left by past mining in aid  
20          of enhancing public health and safety and pro-  
21          tection of infrastructure including roads, build-  
22          ings, power lines and pipelines.

23          “(3) Research funded by this Act related to pe-  
24          troleum geology and geophysics may include but is  
25          not limited to—

1           “(A) developing refined techniques or de-  
2           signing innovative tools to identify and delin-  
3           eate economic accumulations of conventional  
4           and non-conventional oil and gas resources;

5           “(B) developing geological and geophysical  
6           diagnostic methodologies or tools for character-  
7           izing and modeling conventional and non-con-  
8           ventional oil and gas bearing rocks, reservoirs  
9           and source beds;

10          “(C) studying conventional and non-con-  
11          ventional oil and gas economics to sustain do-  
12          mestic oil and gas resource exploration and pro-  
13          duction;

14          “(D) developing new methodologies, tech-  
15          nologies, or strategies, including rock-fluid  
16          interaction studies, to improve the recovery of  
17          known conventional and unconventional oil and  
18          gas resources from established fields; and

19          “(E) studying procedures to extract con-  
20          ventional and non-conventional oil and gas re-  
21          sources that reduce the environmental impact of  
22          these activities.

23          “(4) Research funded by this Act related to the  
24          production of geothermal energy should reflect the  
25          near and long-term needs of finding, bringing online,

1 and sustaining geothermal energy sources, including,  
2 but not restricted to the following:

3 “(A) Identifying and characterizing geo-  
4 thermal energy resources, especially those that  
5 are hidden, and the development and refine-  
6 ment of technologies and approaches to increase  
7 the success rate in finding these resources.

8 “(B) Engineering, maintaining, and sus-  
9 taining a geothermal resource through multi-  
10 disciplinary, applied studies in engineering, ge-  
11 ology, and geophysics, including fluid flow in  
12 the subsurface, reservoir characterization and  
13 engineering.

14 “(C) Extraction of economic minerals from  
15 geothermal fluid streams.

16 “(5) Research funded by this Act into the geol-  
17 ogy and geophysics of exploration for mineral depos-  
18 its, including coal and like substances, metallic and  
19 non-metallic mineral resources to include industrial  
20 minerals, and stone, sand, and gravel may include—

21 “(A) improving the estimates of the United  
22 States coal resource endowment, assessing the  
23 extent of the Nation’s coal recoverable reserves  
24 and assessing the quality of recoverable re-  
25 serves, regardless of ownership;

1           “(B) enhancing the understanding of  
2           mineability and recoverability of coal resources  
3           due to technical constraints, such as mining  
4           methods, coal processing technologies, intended  
5           use, environmental considerations, and geology,  
6           and due to economic, policy, and legal con-  
7           straints;

8           “(C) regional and local geologic, geo-  
9           chemical, and geophysical characterization of  
10          the United States mineral resource endow-  
11          ments, including the development of new tech-  
12          niques for assessing the mineral resource poten-  
13          tial;

14          “(D) construction and testing of  
15          hypotheses and models for the formation and  
16          global distribution of important classes of min-  
17          eral resource in space and time;

18          “(E) development of improved methodology  
19          and technology for exploration and discovery of  
20          concealed or deep mineral resources, including  
21          the detection of geochemical and geophysical at-  
22          tributes of mineral deposits that have little or  
23          no surface expression and are obscured by over-  
24          lying barren rock materials, water, and vegeta-  
25          tion; and

“(F) research analyzing the potential global availability of mineral resources needed by the United States’ industrial economy to compete in the world marketplace, including but not limited to the physical and engineering factors, the economic and market factors, and the political and legal factors that will affect mineral resource availability.

**“SEC. 7. PHYSICAL SCIENCE, ENGINEERING AND TECHNOLOGY SCHOLARSHIP PROGRAM.**

“(a) INTERIOR WORKFORCE ENHANCEMENT.—

“(1) The Secretary shall provide financial assistance for education in physical sciences, engineering, and engineering or industrial technology and disciplines that, as determined by the Secretary, are critical to the functions of the Department of the Interior and are needed in the Department of the Interior workforce.

“(2) The Secretary of the Interior may award a scholarship in accordance with this section to a person who—

“(A) is a citizen or a national of the United States;

“(B) is pursuing an undergraduate or advanced degree in a critical skill or discipline de-

1           scribed in paragraph (1) at an institution of  
2           higher education; and

3           “(C) enters into a service agreement with  
4           the Secretary of the Interior as described in  
5           this section.

6           “(3) The amount of the financial assistance  
7           provided under a scholarship awarded to a person  
8           under this subsection shall be the amount deter-  
9           mined by the Secretary of the Interior as being nec-  
10          essary to pay all educational expenses incurred by  
11          that person, including tuition, fees, cost of books,  
12          laboratory expenses, and expenses of room and  
13          board. The expenses paid, however, shall be limited  
14          to those educational expenses normally incurred by  
15          students at the institution of higher education in-  
16          volved.

17          “(b) MINORITY WORKFORCE ENHANCEMENT.—

18                 “(1) The Secretary shall award scholarships in  
19                 accordance with this section to persons who—

20                         “(A) are enrolled in a Minority Serving  
21                         Higher Education Institutions;

22                         “(B) are citizens or nationals of the  
23                         United States;

24                         “(C) are pursuing an undergraduate or ad-  
25                         vanced degree in agriculture, engineering, engi-

1           neering or industrial technology, or physical  
2           sciences, or other discipline that is found by the  
3           Secretary to be critical to the functions of the  
4           Department of the Interior and are needed in  
5           the Department of the Interior workforce; and

6           “(D) enter into a service agreement with  
7           the Secretary of the Interior as described in  
8           this section.

9           “(2) The amount of the financial assistance  
10          provided under a scholarship awarded to a person  
11          under this subsection shall be the amount deter-  
12          mined by the Secretary of the Interior as being nec-  
13          essary to pay all educational expenses incurred by  
14          that person, including tuition, fees, cost of books,  
15          laboratory expenses, and expenses of room and  
16          board. The expenses paid, however, shall be limited  
17          to those educational expenses normally incurred by  
18          students at the institution of higher education in-  
19          volved.

20          “(c) EDUCATION PARTNERSHIPS WITH MINORITY  
21          SERVING HIGHER EDUCATION INSTITUTIONS.—

22               “(1) The Secretary shall require the director of  
23               each Bureau and Office, to foster the participation  
24               of Minority Serving Higher Education Institutions  
25               in any regulatory activity, land management activity,



1 science activity, engineering or industrial technology  
2 activity, or engineering activity carried out by the  
3 Department of the Interior.

4 “(2) The Secretary shall support activities at  
5 Minority Serving Higher Education Institutions  
6 by—

7 “(A) funding faculty and students in these  
8 institutions in collaborative research projects  
9 that are directly related to the Departmental or  
10 Bureau missions;

11 “(B) allowing equipment transfer to Mi-  
12 nority Serving Higher Education Institutions as  
13 a part of a collaborative research program di-  
14 rectly related to a Departmental or Bureau mis-  
15 sion;

16 “(C) allowing faculty and students at these  
17 Minority Serving Higher Education Institutions  
18 to participate Departmental and Bureau train-  
19 ing activities at no charge;

20 “(D) funding paid internships in Depart-  
21 mental and Bureau facilities for students at Mi-  
22 nority Serving Higher Education Institutions;  
23 and

24 “(E) assigning Departmental and Bureau  
25 personnel to positions located at Minority Serv-

1 ing Higher Educational Institutions to serve as  
2 mentors to students interested in a science,  
3 technology or engineering disciplines related to  
4 the mission of the Department or the Bureaus.

5 “(d) UNIFORM SERVICE AGREEMENT FOR RECIPI-  
6 ENTS OF ASSISTANCE.—

7 “(1) To receive financial assistance under sub-  
8 section (a) or (b)—

9 “(A) in the case of an employee of the De-  
10 partment of the Interior, the employee shall  
11 enter into a written agreement to continue in  
12 the employment of the department for the pe-  
13 riod of obligated service determined under para-  
14 graph (2); and

15 “(B) in the case of a person not an em-  
16 ployee of the Department of the Interior, the  
17 person shall enter into a written agreement to  
18 accept and continue employment in the Depart-  
19 ment of the Interior for the period of obligated  
20 service determined under paragraph (2).

21 “(2) For the purposes of this section, the period  
22 of obligated service for a recipient of a scholarship  
23 under this section shall be the period determined by  
24 the Secretary of the Interior as being appropriate to  
25 obtain adequate service in exchange for the financial

1 assistance provided under the scholarship. In no  
2 event may the period of service required of a recipi-  
3 ent be less than the total period of pursuit of a de-  
4 gree that is covered by the scholarship. The period  
5 of obligated service is in addition to any other period  
6 for which the recipient is obligated to serve in the  
7 civil service of the United States.

8 “(3) An agreement entered into under this sub-  
9 section by a person pursuing an academic degree  
10 shall include any terms and conditions that the Sec-  
11 retary of the Interior determines necessary to pro-  
12 tect the interests of the United States or otherwise  
13 appropriate for carrying out this section.

14 “(e) REFUND FOR PERIOD OF UNSERVED OBLI-  
15 GATED SERVICE.—

16 “(1) A person who voluntarily terminates serv-  
17 ice before the end of the period of obligated service  
18 required under an agreement entered into under  
19 subsection (d)(2) shall refund to the United States  
20 an amount determined by the Secretary of the Inte-  
21 rior as being appropriate to obtain adequate service  
22 in exchange for financial assistance.

23 “(2) An obligation to reimburse the United  
24 States imposed under paragraph (1) is for all pur-  
25 poses a debt owed to the United States.

1           “(3) The Secretary of the Interior may waive,  
2           in whole or in part, a refund required under para-  
3           graph (1) if the Secretary determines that recovery  
4           would be against equity and good conscience or  
5           would be contrary to the best interests of the United  
6           States.

7           “(4) A discharge in bankruptcy under title 11,  
8           United States Code, that is entered less than five  
9           years after the termination of an agreement under  
10          this section does not discharge the person signing  
11          such agreement from a debt arising under such  
12          agreement or under this subsection.

13          “(f) RELATIONSHIP TO OTHER PROGRAMS.—The  
14          Secretary of the Interior shall coordinate the provision of  
15          financial assistance under the authority of this section  
16          with the provision of financial assistance under the au-  
17          thorities provided in this Act in order to maximize the ben-  
18          efits derived by the Department of the Interior from the  
19          exercise of all such authorities.

20          “(g) ANNUAL REPORT.—Not later than September  
21          30 of each year, the Secretary of the Interior shall submit  
22          to the Congress a report on the status of the assistance  
23          program carried out under this section. The report shall  
24          describe the programs within the Department designed to

1 recruit and retain a workforce on a short-term basis and  
2 on a long-term basis.

3 “(h) DEFINITIONS.—As used in this section:

4 “(1) The term ‘Minority Serving Higher Edu-  
5 cation Institutions’ means a Hispanic-serving insti-  
6 tution, historically Black college or university, Alas-  
7 ka Native-serving institution, tribal college or uni-  
8 versity, or insular area school.

9 “(2) The term ‘Hispanic-serving institution’ has  
10 the meaning given the term in section 502(a) of the  
11 Higher Education Act of 1965 (20 U.S.C.  
12 1101a(a)).

13 “(3) The term ‘historically Black college or uni-  
14 versity’ has the meaning given the term ‘part B in-  
15 stitution’ in section 322 of the Higher Education  
16 Act of 1965 (20 U.S.C. 1061).

17 “(4) The term ‘tribal college or university’ has  
18 the meaning given the term ‘Tribal College or Uni-  
19 versity’ in section 316(b)(3) of the Higher Edu-  
20 cation Act of 1965 (20 U.S.C. 1059c).

21 “(5) The term ‘institution of higher education’  
22 has the meaning given such term in section 101 of  
23 the Higher Education Act of 1965 (20 U.S.C.  
24 1001).

1           “(6) The term ‘Alaska Native-serving institu-  
2           tion’ has the meaning given the term in section 317  
3           of the Higher Education Act of 1965 (20 U.S.C.  
4           1059d).

5           “(7) The term ‘insular area school’ means an  
6           academic institution or university in American  
7           Samoa, Guam, The Northern Mariana Islands,  
8           Puerto Rico, and the Virgin Islands, or any other  
9           territory or possession of the United States.

10   **“SEC. 8. CAREER TECHNICAL EDUCATION.**

11           “(a) POLICY.—It is the policy of the United States  
12           that programs that train skilled workers and tradesman  
13           receive appropriate funding to ensure a steady supply of  
14           these workers for the Nation’s mines, oil fields, and fac-  
15           tories, fisheries and farms. In recognition that skilled  
16           workers are integral to the Nation’s economy, it is the pur-  
17           pose of this Act to foster stronger links between post sec-  
18           ondary education and the training of skilled workers and  
19           tradesman. In furtherance of this purpose, funds author-  
20           ized by this Act may be granted to colleges, universities,  
21           community colleges, tribal colleges and universities, tech-  
22           nical institutes, apprenticeship programs, and secondary  
23           schools to implement this section.

24           “(b) COMMUNITY COLLEGE CAREER TECHNICAL  
25           COLLEGE FUNDING.—

1           “(1) A Community or Tribal College may re-  
2           ceive funding under this section if it submits an ap-  
3           plication that demonstrates the presence of a State-  
4           approved program in engineering technology or in-  
5           dustrial technology that—

6                   “(A) is focused on the application of tech-  
7                   nology to energy and mineral production; min-  
8                   eral processing and beneficiation or metals re-  
9                   fining; maintenance related to energy and min-  
10                  eral resource production activities and oper-  
11                  ational safety; energy an mineral production in-  
12                  frastructure protection and security; and indus-  
13                  trial process operations; and

14                   “(B) grants a certificate in one of the sub-  
15                  jects listed in subsection (b)(1)(A).

16           “(2) A Community or Tribal College may re-  
17           ceive funding under this section if it submits an ap-  
18           plication that demonstrates that it cooperatively of-  
19           fers training to individuals seeking to complete pro-  
20           grams described in subsection (c) or (d) and pro-  
21           vides college level credit for the successful comple-  
22           tion of the training.

23           “(3) The funds may be made available as  
24           grants by the Secretary in not more than three-year  
25           increments to support these programs for a period

1 not to exceed 12 years, but all Federal funds must  
2 be matched with State and or industry funds at a  
3 rate of twice that of the amount granted by the Sec-  
4 retary.

5 “(4) Federal funding may be used to acquire  
6 and maintain equipment used for classroom and lab-  
7 oratory training purposes, except that any under-  
8 ground training facilities shall be subject to the pro-  
9 vision of section 10(f).

10 “(c) SECONDARY SCHOOL CAREER TECHNICAL EDU-  
11 CATION FUNDING.—

12 “(1) A secondary school with the presence of a  
13 program, including a secondary school vocational  
14 education program or career academy, that provides  
15 training for individuals seeking to enter the petro-  
16 leum, coal mining, or mineral mining industries may  
17 apply for funding under this section.

18 “(2) Secondary schools may apply for funding  
19 if they maintain a State-approved program of career  
20 technical education offered cooperatively with a com-  
21 munity college in one of the industrial sectors of—

22 “(A) agriculture, forestry, or fisheries;

23 “(B) utilities, particularly power trans-  
24 mission and pipelines operations;



1                   “(C) maintenance and maintenance logis-  
2                   tics;

3                   “(D) construction;

4                   “(E) manufacturing;

5                   “(F) mining, surveying, and well drilling;

6                   or

7                   “(G) transportation and warehousing.

8                   “(3) Secondary schools seeking funds to sup-  
9                   port the operation of a program may initially only  
10                  use those funds for enhancing the instructional skills  
11                  of teachers through additional training and re-  
12                  sources as will permit such teachers to enhance their  
13                  skills.

14                  “(4) After the teachers at existing programs  
15                  have achieved enhanced skills and meet an appro-  
16                  priate standard, as agreed to by local authorities in  
17                  consultation with the Secretary, the funds be used to  
18                  purchase classroom and laboratory equipment.

19                  “(5) Secondary schools seeking funds to sup-  
20                  port the development of a new program shall use the  
21                  funds to support the purchase of classroom and lab-  
22                  oratory equipment and to supplement teacher sala-  
23                  ries to encourage the hiring of highly qualified  
24                  teachers.

1       “(d) SKILLED TRADES TRAINING PROGRAMS.—  
2       Jointly sponsored apprenticeship and training programs  
3       that are authorized by Federal law and that offer commu-  
4       nity college credit for the successful completion of  
5       coursework may apply for funding under this section, pro-  
6       vided that the training offered in one of the sectors listed  
7       in subsection (b)(1)(A) or (c).

8       “(e) APPLICATION FOR FUNDING.—An application  
9       for funds under this section must show evidence of an in-  
10      stitutional commitment for career technical education and  
11      provide evidence that the school or institution has received  
12      or will receive industry cooperation in the form of equip-  
13      ment, employee time, or donations of funds to support the  
14      activities that are within the scope of this section.

15      “(f) USE OF CAREER TECHNICAL EDUCATION FUND-  
16      ING.—

17           “(1) Schools or institutions receiving funds  
18      under this section must agree to maintain the pro-  
19      grams for which the funding is sought for a period  
20      of 10 years beginning on the date the school or insti-  
21      tution receives such funds, unless the Secretary  
22      finds that a shorter period of time is appropriate for  
23      the local labor market or is required by State au-  
24      thorities.

1           “(2) Schools or institutions receiving funds  
2           under this section may combine these funds with  
3           State funds, and other Federal funds where allowed  
4           by law, to carry out programs described in this sec-  
5           tion. However the use of the funds received under  
6           this section must be reported to the Secretary not  
7           less than annually or more frequently should the  
8           Secretary determine such reporting to be appro-  
9           priate.

10 **“SEC. 9. ADMINISTRATION.**

11           “(a) DUTIES OF THE SECRETARY.—

12           “(1) The Secretary, acting through the Director  
13           of the National Center for Science and Technology  
14           Education, shall administer this Act and shall pre-  
15           scribe such rules and regulations as may be nec-  
16           essary to carry out its provisions not later than 1  
17           year after the enactment of SEACOR.

18           “(2) The regulations required by this section  
19           shall ensure that when scholarships, fellowships, or  
20           grants are to be awarded that there be a preference  
21           given to veterans and service members who have re-  
22           ceived or will receive either the Afghanistan Cam-  
23           paign Medal or the Iraq Campaign Medal as author-  
24           ized by Public Law 108–234, and Executive Order  
25           No. 13363.

1           “(3) The regulations prepared by the Secretary  
2 shall establish procedures—

3           “(A) to ensure that each employee and  
4 contractor of the Center established by this sec-  
5 tion and each member of the Committee estab-  
6 lished pursuant to section 11 shall disclose to  
7 the Secretary any financial interests in or fi-  
8 nancial relationships with schools, universities,  
9 institutions, or individuals receiving funds,  
10 scholarships or fellowships under this Act;

11           “(B) to require any employee, contractor,  
12 or member of the Committee with a financial  
13 relationship disclosed under subparagraph (A)  
14 to recuse themselves from—

15           “(i) any recommendation or decision  
16 regarding the awarding of funds, scholar-  
17 ships, or fellowships; and

18           “(ii) any accreditation review, report,  
19 analysis or investigation regarding compli-  
20 ance with the provisions of this Act by a  
21 school, university, or institution or any in-  
22 dividual; and

23           “(C) that ensure that membership on the  
24 Committee established by section 11 by rep-  
25 resentatives of a school, university, or institu-

1           tion shall not serve as a bar to the receipt of  
2           funding under this Act if the representatives  
3           has taken steps to recuse themselves from the  
4           decision.

5           “(b) NATIONAL CENTER FOR SCIENCE AND TECH-  
6 NOLOGY EDUCATION.—

7           “(1) There is established in the Department of  
8           the Interior, under the supervision of the Secretary,  
9           a center to be known as the National Center for  
10          Science and Technology Education (hereafter in this  
11          Act referred to as the ‘Center’) to administer the  
12          provisions of this Act. The position of the Director  
13          shall be allocated from among the existing Senior  
14          Executive Service positions at the Department of the  
15          Interior and shall be a career reserved position as  
16          defined in section 3132(a)(8) of title 5, United  
17          States Code.

18          “(2)(A) The Director may appoint a Deputy  
19          Director and employ such officers and employees as  
20          may be necessary to enable the Center to carry out  
21          its functions.

22          “(B) In general, all such appointments shall be  
23          made from existing positions at the Department of  
24          the Interior, and shall be subject to the provisions  
25          of title 5, United States Code, governing appoint-

1       ments in the competitive service and shall be paid in  
2       accordance with the provisions of chapter 51 and  
3       subchapter III of chapter 53 of such title relating to  
4       classification and General Schedule pay rates.

5               “(C) Whenever it is determined to be in the in-  
6       terest of the government, the Director may appoint  
7       non-status individuals to professional positions at  
8       the Center for term assignments, not to exceed four  
9       years, if—

10               “(i) such individuals are citizens of the  
11       United States, United States nationals, or resi-  
12       dent aliens; and

13               “(ii) the individuals hold advanced degrees  
14       in fields of study that will enhance the capacity  
15       of the Center or its additional offices to carry  
16       out the programs funded under this Act.

17               “(3) In carrying out his or her functions, the  
18       Director shall assist and advise the Secretary and  
19       the Committee established pursuant to this Act by—

20               “(A) providing professional and adminis-  
21       trative support for the Committee including  
22       record keeping and maintaining minutes of all  
23       Committee and subcommittee meetings;

24               “(B) coordinating the activities of the  
25       Committee with Federal agencies and depart-

1           ments, and the schools, universities, and insti-  
2           tutions to which funds are provided under this  
3           Act;

4           “(C) maintaining accurate records of funds  
5           disbursed for all scholarship and fellowship  
6           grants, research grants, and grants for career  
7           technical education purposes;

8           “(D) preparing any regulations required to  
9           implement this Act;

10          “(E) conducting site visits at schools, uni-  
11          versities, and institutions receiving funding  
12          under this Act; and

13          “(F) serving as a central repository for re-  
14          ports and a clearing house for public informa-  
15          tion on research and data funded by this Act.

16          “(4) The Director or an employee of the Center  
17          shall be present at each meeting of the Committee  
18          established pursuant to section 11, a meeting of a  
19          subcommittee of such Committee, or of a task force  
20          established by the Committee.

21          “(5) The Director is authorized to contract with  
22          public or private agencies, institutions, and organiza-  
23          tions and with individuals without regard to section  
24          3324(a) and (b) of title 31, United States Code, and

1 section 5 of title 41, United States Code, in carrying  
2 out his or her functions.

3 “(6) As needed the Director shall ascertain  
4 whether the requirements of this Act have been met  
5 by schools, universities, institutions, and individuals.

6 “(7) If any of the funds received under this Act  
7 are found by the Director to have been improperly  
8 diminished, lost, or misapplied, the Director shall  
9 take all necessary steps to recover such funds.

10 “(c) NATIONAL CENTER LOCATION AND ADDITIONAL  
11 OFFICES.—

12 “(1) The Center shall be located at a site on or  
13 near the campus of a school, college, or university  
14 with a recognized program, to be determined by the  
15 Secretary after consultation with the Committee and  
16 the receipt of public comments.

17 “(2) The Director, with the advice of the Com-  
18 mittee, may establish additional offices at or near  
19 the campuses of school, colleges, or universities with  
20 recognized programs, if such offices are found to be  
21 of assistance in managing the programs carried out  
22 under this Act. In creating additional offices—

23 “(A) at least on full-time Federal employee  
24 must be stationed at any such office to serve as  
25 the supervisor of the office;



1           “(B) priority shall given to local graduate  
2           and undergraduate students enrolled in recog-  
3           nized programs in filling administrative posi-  
4           tions in such additional offices;

5           “(C) priority shall be given to research fac-  
6           ulty and teaching faculty at recognized pro-  
7           grams when filling scientific, engineering and  
8           technical positions; and

9           “(D) to encourage a continual flow of new  
10          personnel into the positions at the additional of-  
11          fices shall be filled on a term basis not to ex-  
12          ceed four years.

13          “(3) No Federal funds may be utilized to pur-  
14          chase land or building for the Center or additional  
15          offices. However, the Director, acting through the  
16          General Services Administration, may lease land and  
17          buildings for the purpose of housing the Center or  
18          additional offices.

19          “(d) DATA AVAILABILITY.—

20          “(1) The Director shall establish the mecha-  
21          nism for public release of findings and data from re-  
22          search supported under this Act. Such release may  
23          include data, physical collections, and other sup-  
24          porting materials created or gathered in the course  
25          of the work. Data release policies shall follow the

1 best practices established by Federal agencies sup-  
2 porting extramural research.

3 “(2) The Director shall establish policies for the  
4 establishment, maintenance, validation, description,  
5 and distribution of high-quality, data sets, including  
6 the following:

7 “(A) Data archives must include easily ac-  
8 cessible information about the data holdings, in-  
9 cluding quality assessments, supporting ancil-  
10 lary information, and guidance and aids for lo-  
11 cating and obtaining data.

12 “(B) Data may be made available for sec-  
13 ondary use through submission to a national  
14 data center, publication in a widely available  
15 scientific journal, book or website, through the  
16 institutional archives that are standard for a  
17 particular discipline, or through other Director-  
18 specified repositories.

19 “(C) Data inventories should be published  
20 or entered into a public database periodically  
21 and when there is a significant change in type,  
22 location, or frequency of such observations.

23 “(D) For those activities in which propri-  
24 etary or confidential information is acquired or  
25 generated, data release shall not violate con-

1            confidentiality agreements. Those data, samples, or  
2            supporting materials that can be released  
3            should be made openly available as soon as pos-  
4            sible, but no later than one year after the con-  
5            clusion of the funded project or within 6  
6            months of a published paper. This period may  
7            be extended under exceptional circumstances,  
8            but only by agreement between the Principal  
9            Investigator and the Director.

10           “(E) Within the proposal review process,  
11           compliance with these data guidelines will be  
12           considered in the overall evaluation of a Prin-  
13           cipal Investigator’s record of prior support.

14           “(F) Exceptions to these data guidelines  
15           require agreement between the Principal Inves-  
16           tigator and the Director.

17           “(3) The Director shall take all necessary steps  
18           to ensure that the data within the database is in a  
19           form that is compatible with the data contained in  
20           the database mandated by section 351 of the Energy  
21           Policy Act of 2005.

22           “(4) In all cases the cost to the public to access  
23           the data shall be no more than the cost to maintain  
24           the data in electronic format.

1   **“SEC. 10. APPLICATIONS FOR FUNDING AND DUTIES OF RE-**  
2                   **CEIVING SCHOOLS AND INDIVIDUALS.**

3           “(a) APPLICATIONS FOR FUNDING AND DUTIES OF  
4 SCHOOLS RECEIVING FUNDING.—

5           “(1) Each application to the Secretary for  
6 funds under this Act shall state, among other  
7 things—

8                   “(A) the nature of the project to be under-  
9 taken and its relation to other known research  
10 projects;

11                   “(B) the period during which it will be  
12 pursued;

13                   “(C) the qualifications of the personnel  
14 who will direct and conduct it;

15                   “(D) the estimated costs;

16                   “(E) the extent to which the proposed  
17 project will maximize the opportunity for the  
18 training of undergraduate and graduate chem-  
19 ical, petroleum, mining, and mineral engineers,  
20 geologists, and geophysicists; and

21                   “(F) the extent of participation by non-  
22 governmental sources in the project.

23           “(2) Funds shall only be made available upon  
24 the basis of the merit of the application, and the op-  
25 portunity the proposal provides for undergraduate  
26 training.

1           “(3) Funds may be made available for multiple  
2           programs within a single institution but each pro-  
3           gram must file a separate application for funding  
4           that meets the requirements of paragraph (1).

5           “(4) Funds available under this Act shall be  
6           paid at such times and in such amounts during each  
7           fiscal year as determined by the Secretary, and upon  
8           vouchers approved by the Secretary.

9           “(b) DUTIES OF RECEIVING SCHOOLS.—Each school,  
10          university, or institution that receives funds under this Act  
11          shall—

12           “(1) establish policies and procedures that as-  
13           sure that Federal funds made available under this  
14           Act for any fiscal year will supplement and, to the  
15           extent practicable, increase the level of funds that  
16           would, in the absence of such Federal funds, be  
17           made available for purposes of this Act, and in no  
18           case supplant such funds; and

19           “(2) have an officer appointed by its governing  
20           authority who shall receive and account for all funds  
21           paid under this Act and shall make an annual report  
22           to the Secretary on or before the first day of Octo-  
23           ber of each year, on work accomplished and the sta-  
24           tus of projects underway, together with a detailed  
25           statement of the amounts received under this Act

1 during the preceding fiscal year, and of its disburse-  
2 ments on schedules prescribed by the Secretary.

3 “(c) INSTITUTIONAL AND INDIVIDUAL REPORTING  
4 REQUIREMENTS.—

5 “(1) On or before the first day of October of  
6 each year beginning after the date of enactment of  
7 this Act, schools, universities, and institutions re-  
8 ceiving funds under this Act shall certify compliance  
9 with this Act and upon request of the Director of  
10 the Center provide documentation of such compli-  
11 ance.

12 “(2) An individual granted a scholarship or fel-  
13 lowship with funds provided under this Act shall an-  
14 nually, through their respective school, university, or  
15 institution, advise the Director of the Center of  
16 progress towards completion of the course of studies  
17 and upon the awarding of the degree within 30 days  
18 after the award.

19 “(d) CONSORTIA.—

20 “(1) Where appropriate, the Secretary may  
21 make funds available to recognized schools under  
22 this Act that participate in consortia performing re-  
23 search that meets the goals of this Act.

24 “(2) Consortia as authorized by this Act, may  
25 include—

1           “(A) domestic schools, universities, or in-  
2           stitutions, including those that are otherwise in-  
3           eligible for funds under this Act;

4           “(B) professional societies or foundations  
5           that support or that are supported by profes-  
6           sional societies;

7           “(C) industry trade associations or indi-  
8           vidual companies, either singly or as multiple  
9           participants;

10          “(D) State agencies, including federally  
11          recognized multistate commissions and regional  
12          organizations;

13          “(E) Federal agencies, if their participa-  
14          tion is authorized by Federal law;

15          “(F) national laboratories, if their partici-  
16          pation uses funds other than those provided by  
17          this Act;

18          “(G) privately funded, non-governmental  
19          organizations, including charitable trusts, non-  
20          profit, organizations, and professional societies  
21          and associations; and

22          “(H) individuals with financial assets, in-  
23          cluding Federal research grants.

24          “(3) Participants in a consortia must have in-  
25          structional or research skills, programs, facilities, or

1 other significant assets specifically identified during  
2 the application process as needed for the success of  
3 the research being carried out by the consortia.

4 “(4) Consortia participants may provide addi-  
5 tional funding for consortia activities, including Fed-  
6 eral funds, however any such Federal funding must  
7 be in addition to any funds provide by this Act and  
8 may not be utilized in lieu of funds received under  
9 this Act.

10 “(5) Approved funding under this Act for con-  
11 sortia shall be disbursed by the Secretary only to a  
12 single point of contact at a recognized school. With  
13 respect to such disbursements—

14 “(A) the receiving institution shall dis-  
15 tribute funds to the other members of the con-  
16 sortia and shall serve as the lead institution  
17 and the sole point of contact for all other par-  
18 ticipants;

19 “(B) all reports of the consortium required  
20 by this Act shall be filed by the lead institution;  
21 and

22 “(C) with the concurrence of the Com-  
23 mittee and the Secretary, the lead institution  
24 may terminate the participation of any other  
25 participant in the consortium.



1 “(e) COORDINATION.—

2 “(1) Nothing in this Act shall be construed to  
3 impair or modify the legal relationship existing be-  
4 tween any of any school, university, or institution re-  
5 ceiving funds under this Act and the government of  
6 the State in which it is located. Nothing in this Act  
7 shall in any way be construed to authorize Federal  
8 control or direction of education at any school, uni-  
9 versity, or institution.

10 “(2) The schools, universities, and institutions  
11 receiving funding under this Act shall make detailed  
12 reports to the Center on projects completed, in  
13 progress, or planned with funds provided under this  
14 Act. All such reports shall be available to the public  
15 on not less than an annual basis through the Center.

16 “(3) All uses, products, processes, and other de-  
17 velopments resulting from any research, demonstra-  
18 tion, or experiment funded in whole or in part under  
19 this Act shall be made available promptly to the gen-  
20 eral public, subject to exception or limitation, if any,  
21 as the Secretary may find necessary in the interest  
22 of national security, and subject to the applicable  
23 Federal law governing patents.

24 “(f) LABS, PHYSICAL PLANT, TEACHING MINES AND  
25 DRILLING RIGS.—

1           “(1) Funding under this Act may be used for  
2       proposals that will provide for maintaining or up-  
3       grading of existing laboratories and laboratory  
4       equipment only with the express approval of the Sec-  
5       retary. No funding for such maintenance or up grad-  
6       ing may be used for university overhead expenses  
7       unless agreed to in advance by the Secretary.

8           “(2) Funding made available under this Act  
9       may be used for maintaining and upgrading mines  
10      and oil and gas drilling rigs owned by a school, uni-  
11      versity, or institution described in this section that  
12      are used for undergraduate and graduate training  
13      and worker safety training. All requests for funding  
14      such mines and oil and gas drilling rigs must dem-  
15      onstrate that they have been owned by the school,  
16      university, or institution for 5 years prior to the  
17      date of enactment of SEACOR and have been ac-  
18      tively used for instructional or training purposes  
19      during that time.

20          “(3) No funds made available under this Act  
21      shall be used to purchase or lease any land or inter-  
22      ests therein, or the rental, purchase, construction,  
23      preservation, or repair of any building.

1 **“SEC. 11. ADVISORY COMMITTEE.**

2 “(a) ADVISORY COMMITTEE ESTABLISHED.—The  
3 Secretary shall establish and appoint a Committee on  
4 Science and Technology Education composed of the fol-  
5 lowing:

6 “(1) The Assistant Secretary of the Interior re-  
7 sponsible for land and minerals management and 18  
8 other persons who are knowledgeable in the fields of  
9 mining and mineral resources research, including  
10 two university administrators whom shall be from an  
11 institution with a recognized energy or mining  
12 school; a community or technical college adminis-  
13 trator; a tribal college administrator; a career tech-  
14 nical education educator; six representatives equally  
15 distributed from the petroleum, mining, and aggre-  
16 gate industries; a working miner; a working oil field  
17 worker; a representative of the Interstate Oil and  
18 Gas Compact Commission; a representative from the  
19 Interstate Mining Compact Commission; a rep-  
20 resentative of the State geologists; and two rep-  
21 resentatives of the general public. In making these  
22 appointments, the Secretary shall consult with inter-  
23 ested groups.

24 “(2) The Assistant Secretary for Land and  
25 Minerals Management, in the capacity of the Chair-  
26 man of the Committee, may invite the representa-

1       tives of any Federal agency with responsibility for  
2       energy and minerals resources to Committee meet-  
3       ings to serve as technical advisors to the committee.  
4       The Assistant Secretary may also invite representa-  
5       tives from the National Academies and the National  
6       Science Foundation to attend as observers and when  
7       appropriate as advisors. Neither advisors nor observ-  
8       ers shall voting responsibilities.

9               “(3) Committee members shall be appointed for  
10       a term of 5 years, except that the regulations under  
11       which the Committee shall operate shall allow for  
12       the length of the initial appointments to be stag-  
13       gered to ensure continuity of operations. Members  
14       appointed to the initial terms that may be less than  
15       five years may be reappointed by the Secretary.

16       “(b) DUTIES OF THE COMMITTEE.—

17               “(1) The Committee shall consult with, and  
18       make recommendations to, the Secretary on all mat-  
19       ters relating to carrying out this Act, including rec-  
20       ommending the approval of funding. The Secretary  
21       shall regularly consult with and carefully consider  
22       recommendations of the Committee in such matters.

23               “(2) When requested by the Secretary the com-  
24       mittee shall review a program requesting funding  
25       that does not have a nationally recognized accredita-

1       tion to determine the extent to which the requesting  
2       program meets the program criteria set out in this  
3       Act. Requesting programs shall be given an oppor-  
4       tunity to review and comment on the program re-  
5       views carried out the by Committee.

6           “(3) Following completion of the report re-  
7       quired by section 385 of the Energy Policy Act of  
8       2005, the Committee shall consider the rec-  
9       ommendations of the report, ongoing efforts in the  
10      schools, universities, and institutions receiving fund-  
11      ing under this Act, the Federal and State Govern-  
12      ments, and the private sector, and after receiving  
13      public comments on possible research directions,  
14      shall formulate and recommend to the Secretary a  
15      national plan for a program utilizing the fiscal re-  
16      sources provided under this Act. The Committee  
17      shall submit such plan to the Secretary for approval.  
18      Upon approval, the plan shall guide the Secretary  
19      and the Committee in their actions under this Act  
20      for the subsequent 10 years.

21           “(4) The Committee shall review the reports  
22      work submitted to the Center pursuant to section  
23      10(e)(2) and seek public comments on the work  
24      being conducted.

1           “(5) The Committee shall every 10 years review  
2           the research and development goals for this section,  
3           taking public comment and suggest to the Secretary  
4           appropriate and promising avenues for additional re-  
5           search and development goals. If the Committee de-  
6           termines that previously suggested avenues for re-  
7           search are no longer providing useful results, they  
8           may recommend that these lines of research be dis-  
9           continued. In conducting this review, the Committee  
10          shall seek the views of the National Academies and  
11          the National Science Foundation.

12          “(c) TRANSMISSION OF REPORTS.—The Secretary  
13          shall without further review by any other government  
14          agency, transmit the reports of the Committee together  
15          with the recommendations to the President of the Senate  
16          and the Speaker of the House of Representatives.

17          “(d) ORGANIZATION OF THE COMMITTEE.—

18                 “(1) The Committee shall be chaired by the As-  
19                 sistant Secretary of the Interior responsible for land  
20                 and minerals management.

21                 “(2) The Committee shall also elect a Vice  
22                 Chairman from among the members. The Vice  
23                 Chairman shall perform such duties as are deter-  
24                 mined to be appropriate by the committee, except

1       that the Chairman of the Committee must person-  
2       ally preside at all meetings of the full Committee.

3           “(3) The Committee may organize itself into  
4       such subcommittees and teams as the Committee  
5       may deem appropriate by a vote of the members  
6       present.

7           “(4) When the Committee is performing a re-  
8       view under subsection (d), it may invite participants  
9       from the appropriate discipline or from nationally rec-  
10      ognized accreditation organizations to participate as  
11      observers.

12      “(e) PROGRAM ACCREDITATION.—

13           “(1) To the extent practicable, the committee  
14       shall utilize self-reviews by programs seeking accred-  
15       itation, which shall be coupled with a campus visits  
16       by an evaluation team

17           “(2) The evaluation team shall conduct an exit  
18       interview with the appropriate institutional officials,  
19       during which time the team shall provide the pre-  
20       liminary results of the evaluation. The program  
21       being evaluated shall have 14 calendar days to cor-  
22       rect any errors of fact communicated during the exit  
23       interview. The team will draft statement to be pro-  
24       vided to the institution within 90 days of the end the  
25       visit. On receipt of the draft statement, the institu-

1       tion has 30 days to respond to issues identified in  
2       the evaluation. After receiving the institutional com-  
3       ments the team will prepare a final statement on the  
4       program under review along with a recommendation  
5       on accreditation action to the Committee within 60  
6       days. At the next scheduled meeting, the Committee  
7       shall review the report and recommendation and ad-  
8       vise the Secretary in writing of the results together  
9       with a recommendation for final action by the Sec-  
10      retary. A decision by the Secretary to grant accredi-  
11      tation shall be good for 5 years.

12           “(3) A program will be determined to be a rec-  
13      ognized program under this section, if the committee  
14      finds after review that the program has—

15           “(A) specific programmatic tracks for the  
16      relevant program for undergraduate or grad-  
17      uate education (or both) and these pro-  
18      grammatic tracks must be readily identifiably  
19      via name and curriculum requirements;

20           “(B) has a demonstrated record of pro-  
21      ducing entry level practitioners and provides the  
22      applied skills necessary for successful careers in  
23      the relevant industry;

24           “(C) has a demonstrated record of active  
25      research in the relevant applied field; and



1           “(D) places high priority on the recruit-  
2           ment, support, retention and graduation of mi-  
3           nority undergraduate and graduate students.

4           “(4) To qualify as a recognized program, the  
5           school or institution must have at least one tenured  
6           or tenure-track faculty member whose research is fo-  
7           cused on the program of study applied for, and who  
8           is recognized by peers as a specialist in the appro-  
9           priate applied discipline or holds a State-based pro-  
10          fessional registration or certification that allows the  
11          holder to publicly practice the appropriate discipline.  
12          Peer-based-recognition shall be determined sufficient  
13          if the Secretary as advised by the Committee finds  
14          the peer recognition is based on a combination of  
15          educational achievement and work experience in the  
16          discipline.

17          “(5) Certification by a professional society in a  
18          particular discipline will constitute recognition if the  
19          Committee finds and the Secretary concurs that  
20          such a certification by a professional society requires  
21          that—

22                 “(A) the individual to have been a practi-  
23                 tioner of the discipline for a specific period of  
24                 time;

1           “(B) the individual must be a graduate of  
2           recognized institution with a degree in the ap-  
3           propriate discipline; and

4           “(C) the individual must be held to the so-  
5           ciety’s enforceable code of ethics.

6   **“SEC. 12. PROGRAM SCHOLARSHIPS & FELLOWSHIPS.**

7           “(a) MERIT-BASED SCHOLARSHIPS.—The Secretary  
8   may establish by rules a program for providing merit-  
9   based scholarships for undergraduate education, graduate  
10  fellowships, and postdoctoral fellowships in the disciplines  
11  described sections 4, 5, and 6. All such scholarships, grad-  
12  uate fellowships, and postdoctoral fellowships shall be  
13  awarded through the institutions receiving funding under  
14  this Act.

15          “(b) INSTITUTIONAL AWARDS OF SCHOLARSHIPS.—

16               “(1) An institution seeking funds under this  
17   subsection shall describe, in its application to the  
18   Secretary for funding, the number of students that  
19   would be awarded scholarships or fellowships if the  
20   application is approved, how such students would be  
21   selected, and how the provisions of this section will  
22   be enforced.

23               “(2) The Secretary shall award grants for  
24   scholarship and fellowships to schools, universities,  
25   and institutions that are eligible to receive funding

1       under this Act. A school, university, or institution  
2       receiving funding under this subsection shall be re-  
3       sponsible for enforcing the requirements of this sec-  
4       tion for scholarship or fellowship students and shall  
5       return to the Secretary any funds recovered from an  
6       individual under subsection (d).

7       “(c) QUALIFICATIONS FOR SCHOLARSHIPS AND FEL-  
8       LOWSHIPS.—In order to receive a scholarship or a grad-  
9       uate fellowship, an individual student must be a lawful  
10      permanent resident of the United States or a United  
11      States citizen and must agree in writing to complete a  
12      course of studies and receive a degree in chemical, petro-  
13      leum, mining, or mineral engineering, petroleum geology,  
14      geothermal geology, mining and economic geology, petro-  
15      leum and mining geophysics, or mineral economics that  
16      is focused on the exploration, development and production  
17      of energy and mineral resources as set forth in this Act.

18      “(d) DUTIES OF SCHOLARSHIP AND FELLOWSHIP  
19      RECIPIENTS.—The regulations required by this Act shall  
20      require that an individual, in order to retain a scholarship  
21      or graduate fellowship, must continue in one of the course  
22      of studies listed in subsection (c), must remain in good  
23      academic standing, as determined by the school, institu-  
24      tion, or university, and must allow for reinstatement of  
25      the scholarship or graduate fellowship by the Secretary,

1 upon the recommendation of the school or institution.  
2 Such regulations may also provide for recovery of funds  
3 from an individual who fails to complete any of the courses  
4 of study listed in subsection (c) after notice that such com-  
5 pletion is a requirement of receipt funding under this Act.

6 **“SEC. 13. ANNUAL FUNDING.**

7 “From the amounts transferred to the Secretary  
8 under section 225(a)(5)(B) of SEACOR, the Secretary  
9 shall annually allocate the following:

10 “(1) For research and development under sec-  
11 tions 4, 5, and 6, not less than 50 percent nor more  
12 than 60 percent of such amounts, to be divided  
13 equally among the three sections.

14 “(2) For scholarships established by section 7,  
15 not less than 3 percent nor more than 5 percent of  
16 such amounts, to be divided equally between scholar-  
17 ships offered under subsections (a) and (b).

18 “(3) For career technical education programs  
19 under section 8, not less than 32 percent nor more  
20 than 37 percent of such amounts.

21 “(4) For scholarships established by section 12,  
22 not less than 5 percent nor more than 8 percent of  
23 such amounts.

1   **“SEC. 14. STUDIES.**

2           “(a) REPORT ON ENERGY AND MINERAL POLICY  
3 LEADERSHIP IN THE EXECUTIVE BRANCH.—

4           “(1) Within 180 days of the date of enactment  
5 of SEACOR, the Secretary of the Interior from ex-  
6 isting funds shall provide funding to the National  
7 Academy of Public Administration.

8           “(2) The National Academy of Public Adminis-  
9 tration shall—

10           “(A) use the funds to conduct an analysis  
11 and prepare a report on the State of Energy  
12 and Mineral Policy Leadership within the Exec-  
13 utive Branch; and

14           “(B) upon completion of the report, trans-  
15 mit that report together with its recommenda-  
16 tions to the President of the Senate and the  
17 Speaker of the House of Representatives.

18           “(3) In preparing the report, the Academy  
19 shall—

20           “(A) provide a complete description of the  
21 executive branch organization of existing energy  
22 and mineral inventory, assessment, and man-  
23 agement agencies and bureaus, which shall fur-  
24 ther identify all policy;

25           “(B) analyze the operation of the existing  
26 executive branch organizations, paying careful

1 the demographics and sustainability Federal en-  
2 ergy and mineral workforce;

3 “(C) examine how well executive branch  
4 agencies focus on cross-agency matters related  
5 to national defense, finance and capital forma-  
6 tion, taxation, and workforce, in addition to  
7 how well the agencies inventory, evaluate, and  
8 manage to access to energy and mineral re-  
9 sources;

10 “(D) examine the placement and utiliza-  
11 tion of mineral and energy economic analysis  
12 functions within the executive branch;

13 “(E) examine the present location of the  
14 energy and mineral information collection func-  
15 tions in the executive branch;

16 “(F) examine the impacts of the closure of  
17 the Bureau of Mines on the development and  
18 implementation of executive branch mineral pol-  
19 icy;

20 “(G) examine energy and minerals policy  
21 making organizations in the Federal, provincial,  
22 and State governments of Canada and Aus-  
23 tralia and any other countries deemed appro-  
24 priate by the Academy;

1           “(H) examine the impacts of centralizing  
2           all energy and mineral functions within the ex-  
3           ecutive branch, taking into account the re-  
4           sources needed to operate and manage a cen-  
5           tralized organization fully capable of energy and  
6           mineral policy setting, commodity information  
7           gathering, resource inventory activities, eco-  
8           nomic assessment and evaluation activities, and  
9           the management of all aspects reasonably re-  
10          lated to granting access to federally owned en-  
11          ergy and mineral resources; and

12           “(I) advise the Congress of the Academy’s  
13          recommendations for improving coordination of  
14          executive branch function including but not lim-  
15          ited to centralizing of functions.”.

16 **SEC. 226. OCS REGIONAL HEADQUARTERS.**

17          Not later than July 1, 2011, the Secretary of the In-  
18          terior shall establish the headquarters for the Atlantic  
19          OCS Region and the headquarters for the Pacific OCS  
20          Region within a State bordering the Atlantic OCS Region,  
21          and a State bordering the Pacific OCS Region, respec-  
22          tively, from among the States bordering those Regions  
23          that petitions by no later than January 1, 2011, for leas-  
24          ing, for oil and gas or natural gas, covering at least 40  
25          percent of the area of their respective Adjacent Zones

1 within 75 miles of the coastline. Such Atlantic and Pacific  
2 OCS Regions headquarters shall be located within 25  
3 miles of the coastline and each Minerals Management  
4 Service OCS regional headquarters shall be the permanent  
5 duty station for all Minerals Management Service per-  
6 sonnel that on a daily basis spend on average 60 percent  
7 or more of their time in performance of duties in support  
8 of the activities of the respective Region, except that the  
9 Minerals Management Service may house regional inspec-  
10 tion staff in other locations. Each OCS Region shall each  
11 be led by a Regional Director who shall be an employee  
12 within the Senior Executive Service.

13 **SEC. 227. FREEDOM FUELS ACT.**

14 (a) **SHORT TITLE.**—This section may be cited as the  
15 “Freedom Fuels Act”.

16 (b) **PURPOSES.**—The purpose of this section is to—

17 (1) establish a fund to provide funding for the  
18 management of geologic programs, geophysical and  
19 other seismic studies, seismic monitoring programs,  
20 and the preservation and use of geologic and geo-  
21 physical data, geothermal and geopressure energy  
22 renewable resource management, unconventional en-  
23 ergy resources management, and renewable energy  
24 management associated with ocean wave, tidal, cur-  
25 rent, and thermal resources;



1           (2) make available receipts derived from sales,  
2       bonus bids, royalties, and fees from onshore and off-  
3       shore gas, minerals, oil, other sources of funds, and  
4       any additional form of energy exploration and devel-  
5       opment under the laws of the United States for the  
6       purposes of such fund;

7           (3) distribute funds from such fund each fiscal  
8       year to the Secretary of the Interior; and

9           (4) use the distributed funds to manage activi-  
10      ties conducted under this section, and to secure the  
11      necessary trained workforce, contractual services,  
12      and other support, including maintenance and cap-  
13      ital investments, to perform the functions and activi-  
14      ties described in paragraph (1).

15       (c) DEFINITIONS.—In this section:

16           (1) FREEDOM FUELS FUND.—The term “Free-  
17      dom Fuels Fund” means the Freedom Fuels Fund  
18      established by subsection (d).

19           (2) SECRETARY.—The term “Secretary” means  
20      the Secretary of the Interior.

21       (d) ESTABLISHMENT AND USE OF THE FREEDOM  
22      FUELS FUND.—

23           (1) FREEDOM FUELS FUND.—There is estab-  
24      lished in the Treasury a separate account to be  
25      known as the “Freedom Fuels Fund”.

1           (2) FUNDING.—The Secretary of the Treasury  
2       shall deposit in the Freedom Fuels Fund—

3           (A) such sums as are provided by sections  
4       9(b)(5)(A)(v) and 9(b)(5)(B)(v) of the Outer  
5       Continental Shelf Lands Act, as amended by  
6       this Act;

7           (B)(i) during the period of October 1,  
8       2008, through September 30, 2018, one percent  
9       of all sums paid into the Treasury under sec-  
10      tion 35 of the Mineral Leasing Act (30 U.S.C.  
11      191); and

12          (ii) beginning October 1, 2018, and there-  
13      after, 2.5 percent of all sums paid into the  
14      Treasury under section 35 of the Mineral Leas-  
15      ing Act (30 U.S.C. 191);

16          (C)(i) during the period of October 1,  
17      2008, through September 30, 2018, one percent  
18      of all sums paid into the Treasury from receipts  
19      derived from bonus bids, royalties, rentals, and  
20      other receipts from other mineral and energy  
21      leasing, rights, easements, and other permis-  
22      sions to operate on public lands; and

23          (ii) beginning October 1, 2018, and there-  
24      after, 2.5 percent of all sums paid into the  
25      Treasury from receipts derived from bonus bids,

1 royalties, rentals, and other receipts from other  
2 mineral and energy leasing, rights, easements,  
3 and other permissions to operate on public  
4 lands;

5 (D) donations to the Fund;

6 (E) such sums as are provided by section  
7 236 of the State Enhanced Authority for Coast-  
8 al and Ocean Resources Act of 2008; and

9 (F) such sums as are provided by sub-  
10 section (u) of section 8 of the Outer Conti-  
11 nental Shelf Lands Act and section 235 of the  
12 State Enhanced Authority for Coastal and  
13 Ocean Resources Act of 2008.

14 (3) INVESTMENTS.—The Secretary of the  
15 Treasury shall invest the amounts deposited under  
16 paragraph (2), and all accrued interest thereon, only  
17 in interest bearing obligations of the United States  
18 or in obligations guaranteed as to both principal and  
19 interest by the United States.

20 (4) DONATIONS.—The Secretary of the Interior  
21 may solicit and accept donations of funds for deposit  
22 into the Freedom Fuels Fund. Donors may des-  
23 ignate which subsection(s) of this section that will be  
24 funded by their donation, and the allocation of funds  
25 to each.

1           (5) AVAILABILITY TO THE SECRETARY OF THE  
2 INTERIOR.—

3           (A) IN GENERAL.—Beginning with fiscal  
4 year 2009, and in each fiscal year thereafter,  
5 the amounts deposited into the Freedom Fuels  
6 Fund, unless otherwise specified in this section,  
7 together with the interest thereon, shall be  
8 available, without further appropriation and  
9 without fiscal year limitation, to the Secretary  
10 for use for the purposes described in this sec-  
11 tion.

12           (B) WITHDRAWALS AND TRANSFER OF  
13 FUNDS.—The Secretary of the Treasury shall  
14 withdraw such amounts from the Freedom  
15 Fuels Fund as the Secretary of the Interior  
16 may request and transfer such amounts to the  
17 Secretary of the Interior to be used, at the dis-  
18 cretion of the Secretary of the Interior, by the  
19 Minerals Management Service, the Bureau of  
20 Land Management, the United States Geologi-  
21 cal Survey, and others as the Secretary may  
22 designate, for the purposes described in this  
23 section. No funds distributed from the Freedom  
24 Fuels Fund may be used to purchase an inter-  
25 est in land.

1       (e) FREEDOM FUELS STRATEGIC UNCONVENTIONAL  
2 RESOURCES PROGRAM.—

3           (1) PROGRAM.—The Secretary shall establish a  
4 program for production of liquid fuels from strategic  
5 unconventional resources, and production of oil and  
6 gas resources using advanced CO<sub>2</sub> enhanced recovery.  
7 The program shall focus initially on activities  
8 and domestic resources most likely to result in significant  
9 production in the near future, and shall include  
10 work necessary to improve extraction techniques,  
11 including surface and in situ operations. The  
12 program shall include characterization and assessment  
13 of potential resources, a sampling program,  
14 appropriate laboratory and other analyses and testing,  
15 and assessment of methods for exploration and  
16 development of these strategic unconventional resources.  
17 Not less than 20 percent of the funds shall  
18 be used for advanced CO<sub>2</sub> enhanced recovery technology  
19 activities.

20           (2) PILOT PROJECTS.—The program created in  
21 paragraph (1) shall include, but not be limited to,  
22 pilot projects for—

23                   (A) Texas and New Mexico,

24                   (B) Oklahoma, Arkansas, and Louisiana,

25                   (C) Colorado, Utah, and Wyoming,

1 (D) Alabama, Mississippi, and Tennessee,

2 (E) Kentucky, West Virginia, Pennsyl-  
3 vania, New York, and Ohio,

4 (F) Indiana, Illinois, Michigan, Wisconsin,  
5 and Minnesota,

6 (G) California, Arizona, and Nevada,

7 (H) Alaska,

8 (I) Oregon, Washington, Idaho, and Mon-  
9 tana,

10 (J) North Dakota, South Dakota, Kansas,  
11 Missouri, and Nebraska,

12 (K) Connecticut, Rhode Island, Massachu-  
13 setts, New Hampshire, Vermont, Maine, and  
14 New Jersey, and

15 (L) Delaware, Maryland, Virginia, North  
16 Carolina, South Carolina, Georgia, Florida,  
17 Puerto Rico, and the remaining commonwealths  
18 and territories.

19 For purposes of this subsection, the term “State”  
20 shall include the State and its OCS Adjacent Zone,  
21 if any. The Secretary shall provide grants to con-  
22 sortia of Federal energy laboratories, universities,  
23 States, and private persons, in coordination with  
24 designated bureaus of the Department of the Inte-

rior, to implement the pilot projects under this subsection.

(3) DEFINITIONS.—In this subsection:

(A) STRATEGIC UNCONVENTIONAL RESOURCES.—The term “strategic unconventional resources” means hydrocarbon resources, including heavy oil, oil shale, tar sands, and coal deposits, Alaska natural gas, gas hydrates, other unconventional natural gas, and stranded oil in declining reservoirs, from all of which liquid fuels may be produced.

(B) IN SITU EXTRACTION METHODS.—The term “in situ extraction methods” means recovery techniques that are applied to the resources while they are still in the ground, and are in commercial use or advanced stages of development. Such techniques include, but are not limited to, steam flooding, steam-assisted gravity drainage (including combination with electric power generation where appropriate), cyclic steam stimulation, air injection, CO<sub>2</sub> flooding, and chemical treatment.

(4) FUNDING.—The Secretary shall carry out the program for the production of strategic unconventional fuels with funds from the Freedom Fuels

1 Fund in each of fiscal years 2009 through 2018,  
2 and each fiscal year thereafter in the discretion of  
3 the Secretary, in the amount of not less than  
4 \$100,000,000 per year. Each pilot project shall be  
5 allocated not less than \$4,000,000 nor more than  
6 \$12,000,000 per year in each of fiscal years 2009  
7 through 2018. The Secretary shall determine the  
8 amount to be allocated to each pilot project based on  
9 (A) the relative strategic unconventional resources  
10 potential in the pilot project area, and (B) the per-  
11 ceived ability of the pilot project to move the greater  
12 amount of those resources to production within the  
13 shortest period of time. Not less than 60 percent of  
14 the funds allocated to each pilot project shall be pro-  
15 vided to universities that are members of the con-  
16 sortia for the pilot project, and not less than 20 per-  
17 cent of the funds for each pilot project shall be pro-  
18 vided to Federal energy laboratories. The Secretary  
19 shall encourage the consortia to seek donations and  
20 State funding in support of their activities.

21 (5) REPORT TO CONGRESS.—Not later than 2  
22 years after enactment of this Act, the Secretary  
23 shall identify and report to Congress on feasible in-  
24 centives to foster recovery of unconventional fuels by  
25 private industry within the United States. Such in-



1       centives may include, but are not limited to, long-  
2       term contracts for the purchase of unconventional  
3       fuels for defense or civilian purposes (or both), Fed-  
4       eral grants and loan guarantees for necessary capital  
5       expenditures, and favorable terms for the leasing of  
6       Government lands containing unconventional re-  
7       sources.

8       (f) SUPPORT OF GEOTHERMAL AND GEOPRESSURE  
9       OIL AND GAS ENERGY PRODUCTION.—

10           (1) IN GENERAL.—The Secretary shall carry  
11       out a grant program in support of geothermal and  
12       geopressure oil and gas energy production. The pro-  
13       gram shall include grants for a total of not less than  
14       nine assessments of the use of innovative geothermal  
15       techniques such as organic Rankine cycle systems at  
16       marginal, unproductive, and productive oil and gas  
17       wells, and not less than three assessments of the use  
18       of innovative geopressure techniques. The Secretary  
19       shall, to the extent practicable and in the public in-  
20       terest, make awards that—

21           (A) include not less than five oil or gas  
22       well sites per project award;

23           (B) use a range of oil or gas well hot water  
24       source temperatures from 150 degrees Fahr-  
25       enheit to 300 degrees Fahrenheit;

1 (C) use existing or new oil or gas wells;

2 (D) cover a range of sizes from 175 kilo-  
3 watts to one megawatt;

4 (E) are located at a range of sites includ-  
5 ing tribal lands, Federal lease, State, or pri-  
6 vately owned sites;

7 (F) can be replicated at a wide range of  
8 sites;

9 (G) facilitate identification of optimum  
10 techniques among competing alternatives;

11 (H) include business commercialization  
12 plans that have the potential for production of  
13 equipment at high volumes and operation and  
14 support at a large number of sites; and

15 (I) satisfy other criteria that the Secretary  
16 determines are necessary to carry out the pro-  
17 gram.

18 The Secretary shall give preference to assessments  
19 that address multiple elements contained in subpara-  
20 graphs (A) through (I).

21 (2) GRANT AWARDS.—Each grant award for as-  
22 sessment of innovative geothermal or geopressure  
23 technology such as organic Rankine cycle systems at  
24 oil and gas wells made by the Secretary under this  
25 section shall include—

1 (A) necessary and appropriate site engi-  
2 neering study;

3 (B) detailed economic assessment of site  
4 specific conditions;

5 (C) appropriate feasibility studies to deter-  
6 mine ability for replication;

7 (D) design or adaptation of existing tech-  
8 nology for site specific circumstances or condi-  
9 tions;

10 (E) installation of equipment, service, and  
11 support; and

12 (F) monitoring for a minimum of one year  
13 after commissioning date.

14 (3) COMPETITIVE GRANT SELECTION.—Not less  
15 than 180 days after the date of the enactment of  
16 this Act, the Secretary shall conduct a national solici-  
17 tation for applications for grants under the pro-  
18 gram. Grant recipients shall be selected on a com-  
19 petitive basis based on criteria in subsection (b).

20 (4) FEDERAL SHARE.—The Federal share of  
21 costs of grants under this subsection shall be pro-  
22 vided from funds made available to carry out this  
23 section. The Federal share of the cost of a project  
24 carried out with such a grant shall not exceed 50  
25 percent of such cost.

1           (5) FUNDING.—The Secretary shall carry out  
2           the grant program under this subsection with funds  
3           from the Freedom Fuels Fund in each of fiscal  
4           years 2009 through 2018, and in each fiscal year  
5           thereafter in the discretion of the Secretary, in the  
6           amount of not less than \$10,000,000 each fiscal  
7           year. No funds authorized under this section may be  
8           used for the purposes of drilling new wells.

9           (6) AMENDMENT.—Section 4 of the Geothermal  
10          Steam Act of 1970 (30 U.S.C. 1003) is amended by  
11          adding at the end the following:

12          “(h) GEOTHERMAL AND GEOPRESSURE RESOURCES  
13          CO-PRODUCED WITH THE MINERALS.—Any person who  
14          holds a lease or who operates a cooperative or unit plan  
15          under the Mineral Leasing Act or the Outer Continental  
16          Shelf Lands Act, in the absence of an existing lease for  
17          geothermal resources under either of those Acts, shall  
18          upon notice to the Secretary have the right to utilize any  
19          geothermal or geopressure resources co-produced with the  
20          minerals for which the lease was issued during the oper-  
21          ation of that lease or cooperative or unit plan, for the gen-  
22          erating of electricity to operate the lease. Any electricity  
23          that is produced in excess of that which is required to op-  
24          erate the lease and that is sold for purposes outside of  
25          the boundary of the lease shall be subject to the require-

1 ments of section 5. The lessee may continue the lease,  
 2 without further payment except royalties, for the sole pur-  
 3 pose of the production of geothermal or geopressure re-  
 4 sources (or both) after the other minerals have ceased pro-  
 5 duction in paying quantities.”.

6 (g) FREEDOM FUELS FEED GRANT PROGRAM.—

7 (1) FEED GRANT PROGRAM.—The Secretary of  
 8 the Interior shall establish a grant program for  
 9 FEED grants for projects for coal-to-liquids, petro-  
 10 leum coke-to-liquids, oil shale, tar sands, and Alaska  
 11 natural gas-to-liquids and the production of low-rank  
 12 coal water fuel (in this subsection referred to as  
 13 “LRCWF”).

14 (2) DEFINITIONS.—In this subsection:

15 (A) FRONT-END ENGINEERING AND DE-  
 16 SIGN.—The terms “front-end engineering and  
 17 design” and “FEED” mean those expenditures  
 18 necessary to engineer, design, and obtain per-  
 19 mits for a facility for a particular geographic lo-  
 20 cation that will utilize a process or technique to  
 21 produce liquid fuels from coal, petroleum coke,  
 22 oil shale, tar sands, and Alaska natural gas re-  
 23 sources.

24 (B) LOW-RANK COAL WATER FUEL.—The  
 25 term “low-rank coal water fuel” means a liquid

1 fuel produced from hydrothermal treatment of  
2 lignite and sub-bituminous coals.

3 (3) GRANT PROVISIONS.—All grants shall re-  
4 quire a 50 percent non-Federal cost share. The first  
5 4 FEED grant recipients who receive full project  
6 construction financing commitments, based on ear-  
7 liest calendar date, shall not be required to repay  
8 any of their grants. The next 4 FEED grant recipi-  
9 ents who receive such commitments shall be required  
10 to repay 25 percent of the grant. The next 4 FEED  
11 grant recipients who receive such commitments shall  
12 be required to repay 50 percent of the grant, and  
13 the remaining FEED grant recipients shall be re-  
14 quired to repay 75 percent of the grant. Any re-  
15 quired repayment shall be paid as part of the closing  
16 process for any construction financing relating to  
17 the grant. No repayment shall require the payment  
18 of interest if repaid within 5 years of the issuance  
19 of the grant. FEED grants shall be limited to a  
20 maximum of \$1,000,000 per 1,000 barrels per day  
21 of liquid fuels production capacity, not to exceed \$20  
22 million each. The Secretary shall fund at least 4  
23 FEED grants for each of coal-to-liquids and oil  
24 shale; and at least 2 FEED grants for each of tar

1 sands, petroleum coke-to-liquids, Alaska natural gas-  
2 to-liquids, and LRCWF.

3 (4) FUNDING.—The Secretary shall implement  
4 the grant program established by this subsection  
5 with such funds as shall be needed from the Free-  
6 dom Fuels Fund.

7 (h) RENEWABLE ENERGY FROM OCEAN WAVE,  
8 TIDE, CURRENT, AND THERMAL RESOURCES.—

9 (1) PROGRAM.—The Secretary of the Interior  
10 shall establish a grant program for the production of  
11 renewable energy from ocean waves, tides, currents,  
12 and thermal resources.

13 (2) GRANT PROVISIONS.—All grants under this  
14 subsection shall require a 50 percent non-Federal  
15 cost share.

16 (3) FUNDING.—The Secretary shall carry out  
17 this grant program with funds from the Freedom  
18 Fuels Fund for each of fiscal years 2009 through  
19 2018, and in each fiscal year thereafter in the dis-  
20 cretion of the Secretary, in the amount of  
21 \$50,000,000 each fiscal year.

22 (i) AMENDMENT TO THE SURFACE MINING CONTROL  
23 AND RECLAMATION ACT OF 1977.—Section 507 of the  
24 Surface Mining Control and Reclamation Act of 1977 (30

1 U.S.C. 1257) is amended by adding at the end the fol-  
2 lowing:

3 “(i) Any person who provides the regulatory authority  
4 with a map under subsection (b)(13) or (b)(14) shall not  
5 be liable to any other person in any way for the accuracy  
6 or completeness of any such map which was not prepared  
7 and certified by or on behalf of such person.”.

8 (j) SUPPORT OF GEOTHERMAL AND GEOPRESSURE  
9 ENERGY PRODUCTION.—

10 (1) IN GENERAL.—The Secretary shall carry  
11 out a grant program in support of geothermal and  
12 geopressure energy production. The program shall  
13 include grants for a total of not less than nine as-  
14 sessments of the use of innovative geothermal tech-  
15 niques such as organic Rankine cycle systems at  
16 marginal, unproductive, and productive oil and gas  
17 wells, and not less than three assessments of the use  
18 of innovative geopressure techniques. The Secretary  
19 shall, to the extent practicable and in the public in-  
20 terest, make awards that—

21 (A) use a range of hot water source tem-  
22 peratures from 150 degrees Fahrenheit to 300  
23 degrees Fahrenheit;

24 (B) cover a range of sizes from 175 kilo-  
25 watts to one megawatt;



1 (C) are located at a range of sites includ-  
2 ing tribal lands, Federal lease, State, or pri-  
3 vately owned sites;

4 (D) can be replicated at a wide range of  
5 sites;

6 (E) facilitate identification of optimum  
7 techniques among competing alternatives;

8 (F) include business commercialization  
9 plans that have the potential for production of  
10 equipment at high volumes and operation and  
11 support at a large number of sites; and

12 (G) satisfy other criteria that the Sec-  
13 retary determines are necessary to carry out the  
14 program.

15 The Secretary shall give preference to assessments  
16 that address multiple elements contained in subpara-  
17 graphs (A) through (G).

18 (2) GRANT AWARDS.—Each grant award for as-  
19 sessment of innovative geothermal or geopressure  
20 technology such as organic Rankine cycle systems  
21 made by the Secretary under this section shall in-  
22 clude—

23 (A) necessary and appropriate site engi-  
24 neering study;

1 (B) detailed economic assessment of site  
2 specific conditions;

3 (C) appropriate feasibility studies to deter-  
4 mine ability for replication;

5 (D) design or adaptation of existing tech-  
6 nology for site specific circumstances or condi-  
7 tions;

8 (E) installation of equipment, service, and  
9 support; and

10 (F) monitoring for a minimum of one year  
11 after commissioning date.

12 (3) COMPETITIVE GRANT SELECTION.—Not less  
13 than 180 days after the date of the enactment of  
14 this Act, the Secretary shall conduct a national solie-  
15 itation for applications for grants under the pro-  
16 gram. Grant recipients shall be selected on a com-  
17 petitive basis based on criteria in subsection (b).

18 (4) FEDERAL SHARE.—The Federal share of  
19 costs of grants under this subsection shall be pro-  
20 vided from funds made available to carry out this  
21 section. The Federal share of the cost of a project  
22 carried out with such a grant shall not exceed 50  
23 percent of such cost.

24 (5) FUNDING.—The Secretary shall carry out  
25 the grant program under this subsection with funds

1 from the Freedom Fuels Fund in each of fiscal  
2 years 2009 through 2018, and in each fiscal year  
3 thereafter in the discretion of the Secretary, in the  
4 amount of not less than \$50,000,000 each fiscal  
5 year.

6 (k) RENEWABLE ENERGY FROM WIND AND SOLAR  
7 RESOURCES.—

8 (1) PROGRAM.—The Secretary of the Interior  
9 shall establish a grant program for the production of  
10 renewable energy from wind and solar resources.

11 (2) GRANT PROVISIONS.—All grants under this  
12 subsection shall require a 50 percent non-Federal  
13 cost share.

14 (3) FUNDING.—The Secretary shall carry out  
15 this grant program with funds from the Freedom  
16 Fuels Fund for each of fiscal years 2009 through  
17 2018, and in each fiscal year thereafter in the dis-  
18 cretion of the Secretary, in the amount of  
19 \$50,000,000 each fiscal year.

20 (l) RENEWABLE ENERGY FROM HYDROPOWER RE-  
21 SOURCES.—

22 (1) PROGRAM.—The Secretary of the Interior  
23 shall establish a grant program for the production of  
24 hydroelectric power from low-head hydropower on

1        canals and small streams and the installation of  
2        power facilities in currently nonpowered dams.

3            (2) GRANT PROVISIONS.—All grants under this  
4        subsection shall require a 50 percent non-Federal  
5        cost share.

6            (3) FUNDING.—The Secretary shall carry out  
7        this grant program with funds from the Freedom  
8        Fuels Fund for each of fiscal years 2009 through  
9        2018, and in each fiscal year thereafter in the dis-  
10       cretion of the Secretary, in the amount of  
11       \$50,000,000 each fiscal year.

12       (m) RENEWABLE ENERGY FROM BIOMASS.—

13            (1) PROGRAM.—The Secretary of the Interior  
14        shall establish a grant program for the production of  
15        energy, including power, natural gas, and liquid  
16        fuels, from biomass.

17            (2) GRANT PROVISIONS.—All grants under this  
18        subsection shall require a 50 percent non-Federal  
19        cost share.

20            (3) FUNDING.—The Secretary shall carry out  
21        this grant program with funds from the Freedom  
22        Fuels Fund for each of fiscal years 2009 through  
23        2018, and in each fiscal year thereafter in the dis-  
24       cretion of the Secretary, in the amount of  
25       \$50,000,000 each fiscal year.

1       (n) RENEWABLE ENERGY FROM CELLULOSE AND  
2   DEPOLYMERIZATION.—

3           (1) PROGRAM.—The Secretary of the Interior  
4       shall establish a grant program for the production of  
5       liquid fuels from cellulose and depolymerization.

6           (2) GRANT PROVISIONS.—All grants under this  
7       subsection shall require a 50 percent non-Federal  
8       cost share.

9           (3) FUNDING.—The Secretary shall carry out  
10      this grant program with funds from the Freedom  
11      Fuels Fund for each of fiscal years 2009 through  
12      2018, and in each fiscal year thereafter in the dis-  
13      cretion of the Secretary, in the amount of  
14      \$50,000,000 each fiscal year.

15      (o) CONVERSION GRANTS FOR MOTOR VEHICLES.—

16           (1) PROGRAM.—The Secretary shall establish a  
17      grant program for the voluntary conversion of gaso-  
18      line-powered motor vehicles to either natural gas or  
19      gasoline-electric hybrid vehicles.

20           (2) GRANT PROVISIONS.—Each grant under  
21      this subsection shall be limited to the lesser of  
22      \$1,250 per vehicle, or 50 percent of the cost of the  
23      conversion.

24           (3) ELIGIBLE MOTOR VEHICLES.—A grant  
25      under this subsection may not be used to convert a

1 motor vehicle unless the Administrator of the Envi-  
2 ronmental Protection Agency has determined under  
3 chapter 329 of title 49, United States Code, that the  
4 average fuel economy for that model of motor vehicle  
5 in city driving is 16 miles per gallon or less.

6 (4) FUNDING.—The Secretary shall carry out  
7 this grant program with funds from the Freedom  
8 Fuels Fund for each of fiscal years 2009 through  
9 2018, and each fiscal year thereafter in the discre-  
10 tion of the Secretary, in the amount of  
11 \$375,000,000 each fiscal year.

12 **SEC. 228. COASTAL IMPACT ASSISTANCE.**

13 Section 31 of the Outer Continental Shelf Lands Act  
14 (43 U.S.C. 1356a) is repealed. Existing grants issued  
15 under section 31 shall no longer be subject to oversight  
16 by the Federal Government, and shall not be subject to  
17 audit by it.

18 **SEC. 229. OIL SHALE AND TAR SANDS AMENDMENTS.**

19 (a) ROYALTY RATES FOR LEASES.—Section 369(o)  
20 of the Energy Policy Act of 2005 (Public Law 109–58;  
21 119 Stat. 728; 42 U.S.C. 15927) is amended by redesign-  
22 ating paragraphs (1) and (2) as subparagraphs (A) and  
23 (B), respectively, by designating the existing language as  
24 paragraph (1), and by adding at the end the following a  
25 new paragraph:

1           “(2) DEFAULT PROVISIONS.—In the absence of  
2           the issuance of regulations or other designation by  
3           the Secretary, the following shall be the royalties,  
4           fees, rentals, bonus provisions, and other payments  
5           for research, development, and demonstration leases,  
6           and commercial leases, issued under the authority of  
7           this section:

8                   “(A) ROYALTY RATES FOR COMMERCIAL  
9                   LEASES.—The royalty rate for commercial  
10                  leases shall be 6 percent of the value of produc-  
11                  tion at the first sale.

12                  “(B) ROYALTY RATES FOR RESEARCH, DE-  
13                  VELOPMENT, AND DEMONSTRATION LEASES.—  
14                  The royalty rate for research, development, and  
15                  demonstration leases that have been converted  
16                  to full-sized leases, which shall be the same size  
17                  as commercial leases, shall be 5 percent of the  
18                  value of production at the first sale.

19                  “(C) OTHER PROVISIONS.—Commercial  
20                  tracts shall be leased to the highest bidder  
21                  based on sealed bids. The provisions for depos-  
22                  its, rentals, fees, and other matters shall be the  
23                  same for commercial oil shale and tar sands  
24                  leases as for oil and gas leases under the Min-  
25                  eral Leasing Act.”.

1 (b) TREATMENT OF RECEIPTS.—Section 21 of the  
2 Mineral Leasing Act (30 U.S.C. 241) is amended by add-  
3 ing at the end the following:

4 “(f) RECEIPTS.—

5 “(1) IN GENERAL.—Notwithstanding the provi-  
6 sions of section 35, all funds received from and  
7 under an oil shale or tar sands lease shall be dis-  
8 posed of as provided in this subsection.

9 “(2) DISPOSITION OF RECEIPTS.—

10 “(A) DEPOSIT.—The Secretary shall de-  
11 posit into a separate account in the Treasury  
12 all receipts derived from any oil shale or tar  
13 sands lease.

14 “(B) ALLOCATIONS TO STATES AND LOCAL  
15 POLITICAL SUBDIVISIONS.—The Secretary shall  
16 allocate 50 percent of the receipts deposited  
17 into the account established under subpara-  
18 graph (A) to the State within the boundaries of  
19 which the leased lands are located, with a por-  
20 tion of that to be paid directly by the Secretary  
21 to the State’s local political subdivisions as pro-  
22 vided in this paragraph.

23 “(C) TRANSMISSION OF ALLOCATIONS.—

24 “(i) IN GENERAL.—Not later than the  
25 last business day of the month after the



1 month in which the revenues were received,  
2 the Secretary shall transmit—

3 “(I) to each State two-thirds of  
4 such State’s allocations under sub-  
5 paragraph (B), and in accordance  
6 with clauses (ii) and (iii) to certain  
7 county-equivalent and municipal polit-  
8 ical subdivisions of such State a total  
9 of one-third of such State’s allocations  
10 under subparagraph (B), together  
11 with all accrued interest thereon; and

12 “(II) to the miscellaneous re-  
13 cepts account in the Treasury the re-  
14 maining balance of such receipts de-  
15 posited into the account that are not  
16 allocated under subparagraph (B), to-  
17 gether with interest thereon, except  
18 that until a lease has been in produc-  
19 tion for 20 years 20 percent of such  
20 remaining balance derived from a  
21 lease shall be paid in accordance with  
22 subclause (I).

23 “(ii) ALLOCATIONS TO CERTAIN  
24 COUNTY-EQUIVALENT POLITICAL SUBDIVI-  
25 SIONS.—The Secretary shall under clause

1 (i)(I) make equitable allocations of the re-  
2 cepts to county-equivalent political sub-  
3 divisions that the Secretary determines are  
4 closely associated with the leasing and pro-  
5 duction of oil shale and tar sands, under a  
6 formula that the Secretary shall determine  
7 by regulation.

8 “(iii) ALLOCATIONS TO MUNICIPAL  
9 POLITICAL SUBDIVISIONS.—The initial al-  
10 location to each county-equivalent political  
11 subdivision under clause (ii) shall be fur-  
12 ther allocated to the county-equivalent po-  
13 litical subdivision and any municipal polit-  
14 ical subdivisions located partially or wholly  
15 within the boundaries of the county-equa-  
16 lent political subdivision on an equitable  
17 basis under a formula that the Secretary  
18 shall determine by regulation.

19 “(D) INVESTMENT OF DEPOSITS.—The de-  
20 posits in the Treasury account established  
21 under subparagraph (A) shall be invested by  
22 the Secretary of the Treasury in securities  
23 backed by the full faith and credit of the United  
24 States having maturities suitable to the needs  
25 of the account and yielding the highest reason-

ably available interest rates as determined by the Secretary of the Treasury.

“(E) USE OF FUNDS.—A recipient of funds under this subsection may use the funds for any lawful purpose as determined by State law. Funds allocated under this subsection to States and local political subdivisions may be used as matching funds for other Federal programs without limitation. Funds allocated to local political subdivisions under this subsection may not be used in calculation of payments to such local political subdivisions under programs for payments in lieu of taxes or other similar programs.

“(F) NO ACCOUNTING REQUIRED.—No recipient of funds under this subsection shall be required to account to the Federal Government for the expenditure of such funds, except as otherwise may be required by law.

“(3) DEFINITIONS.—In this subsection:

“(A) COUNTY-EQUIVALENT POLITICAL SUBDIVISION.—The term ‘county-equivalent political subdivision’ means a political jurisdiction immediately below the level of State government, including a county, parish, borough in

1 Alaska, independent municipality not part of a  
2 county, parish, or borough in Alaska, or other  
3 equivalent subdivision of a State.

4 “(B) MUNICIPAL POLITICAL SUBDIVI-  
5 SION.—The term ‘municipal political subdivi-  
6 sion’ means a municipality located within and  
7 part of a county, parish, borough in Alaska, or  
8 other equivalent subdivision of a State.”.

9 (c) INTERAGENCY COORDINATION AND EXPEDITIOUS  
10 REVIEW OF PERMITTING PROCESS.—

11 (1) DEPARTMENT OF THE INTERIOR AS LEAD  
12 AGENCY.—Upon written request of a prospective ap-  
13 plicant for Federal authorization to develop a pro-  
14 posed oil shale or tar sands project, the Department  
15 of the Interior shall act as the lead Federal agency  
16 for the purposes of coordinating all applicable Fed-  
17 eral authorizations and environmental reviews. To  
18 the maximum extent practicable under applicable  
19 Federal law, the Secretary of the Interior shall co-  
20 ordinate this Federal authorization and review proc-  
21 ess with any Indian tribes and State and local agen-  
22 cies responsible for conducting any separate permit-  
23 ting and environmental reviews.

24 (2) SCHEDULE.—The Secretary of the Interior,  
25 in coordination with the agencies with authority over

1 Federal authorizations and, as appropriate, with In-  
2 dian tribes and State and local agencies that are  
3 willing to coordinate their separate permitting and  
4 environmental reviews with the Federal authoriza-  
5 tions and environmental reviews, shall establish a  
6 schedule with prompt and binding intermediate and  
7 ultimate deadlines, not to exceed 18 months from  
8 the date of the written request, for the review of,  
9 and Federal authorization decisions relating to, oil  
10 shale or tar sands project development and oper-  
11 ation.

12 (3) CONSOLIDATED ENVIRONMENTAL RE-  
13 VIEW.—If the Secretary of the Interior determines  
14 that two or more environmental impact statements  
15 are required, the Secretary shall consolidate all or  
16 some of such statements in order to promote effi-  
17 ciency and timeliness in the permitting process to  
18 the extent practicable. The Secretary may consoli-  
19 date the environmental reviews of any Federal agen-  
20 cy considering any aspect of the proposed oil shale  
21 or tar sands project including ancillary surface proc-  
22 essing facilities, electric generation or transmission  
23 facilities, and other related facilities.

24 (4) APPEALS.—In the event any agency has de-  
25 nied a Federal authorization required for an oil

1 shale or tar sands project, or has failed to act by a  
2 deadline established by the Secretary pursuant to  
3 paragraph (2) for deciding whether to issue the Fed-  
4 eral authorization, the applicant or any State in  
5 which the proposed oil shale or tar sands project  
6 would be located may file an appeal with the Sec-  
7 retary. In consultation with the affected agency, the  
8 Secretary may then either issue the necessary Fed-  
9 eral authorization with appropriate conditions, or  
10 deny the appeal. The Secretary shall issue a decision  
11 within 60 days after the filing of the appeal.

12 (5) CONFORMING REGULATIONS.—Not later  
13 than 6 months after the date of enactment of this  
14 Act, the Secretary shall issue any regulations nec-  
15 essary to implement this subtitle.

16 (d) OIL SHALE AND TAR SANDS LAND EX-  
17 CHANGES.—Section 206 of the Federal Land Policy and  
18 Management Act of 1976 (43 U.S.C. 1716) is amended  
19 by adding at the end the following new subsection:

20 “(j) OIL SHALE AND TAR SANDS LAND EX-  
21 CHANGES.—For the purpose of promoting the economic  
22 recovery of oil shale and tar sands resources, the Secretary  
23 of the Interior shall identify and pursue to completion ex-  
24 change and disposition of non-park, non-wilderness Fed-  
25 eral lands, including lands having a non-Federal surface

1 owner, containing deposits of oil shale or tar sands (or  
2 both). The Secretary shall identify blocks of land con-  
3 taining oil shale or tar sands (or both) deposits for the  
4 purpose of maximizing consolidation of land ownership,  
5 and mineral interests, into manageable blocks within the  
6 following geologic basins located in Colorado, Utah, and  
7 Wyoming: Green River, Piceance Creek, Uinta, and  
8 Washakie. The Secretary shall consider the geology of the  
9 basin when determining the size of manageable blocks.  
10 The Secretary shall conduct exchanges that are favorable  
11 to and in the overall best interest of the United States.”.

12 (e) PROCUREMENT OF UNCONVENTIONAL FUELS.—

13 (1) Section 2922d of title 10, United States  
14 Code, is amended in subsection (d) by striking “1 or  
15 more” and inserting “up to 25”.

16 (2) Section 526 of the Energy Independence  
17 and Security Act of 2007 (42 U.S.C. 17142) is re-  
18 pealed.

19 **SEC. 230. BUY AND BUILD AMERICAN.**

20 (a) BUY AND BUILD AMERICAN.—It is the intention  
21 of the Congress that this Act, among other things, results  
22 in a healthy and growing American industrial, manufac-  
23 turing, transportation, and service sector employing the  
24 vast talents of America’s workforce to assist in the devel-  
25 opment of affordable energy from the Outer Continental

1 Shelf. Moreover, the Congress intends to monitor the de-  
2 ployment of personnel and material in the Outer Conti-  
3 nental Shelf to encourage the development of American  
4 technology and manufacturing to enable United States  
5 workers to benefit from this Act by good jobs and careers,  
6 as well as the establishment of important industrial facili-  
7 ties to support expanded access to American resources.

8 (b) SAFEGUARD FOR EXTRAORDINARY ABILITY.—  
9 Section 30(a) of the Outer Continental Shelf Lands Act  
10 (43 U.S.C. 1356(a)) is amended in the matter preceding  
11 paragraph (1) by striking “regulations which” and insert-  
12 ing “regulations that shall be supplemental and com-  
13 plimentary with and under no circumstances a substi-  
14 tution for the provisions of the Constitution and laws of  
15 the United States extended to the subsoil and seabed of  
16 the outer Continental Shelf pursuant to section 4(a)(1)  
17 of this Act, except insofar as such laws would otherwise  
18 apply to individuals who have extraordinary ability in the  
19 sciences, arts, education, or business, which has been dem-  
20 onstrated by sustained national or international acclaim,  
21 and that”.

22 **SEC. 231. REPEAL OF THE GULF OF MEXICO ENERGY SECU-**  
23 **RITY ACT OF 2006.**

24 The Gulf of Mexico Energy Security Act of 2006  
25 (title I of division C of Public Law 109–432) is repealed



1 effective October 1, 2008, except the Secretary of the Inte-  
2 rior shall make any payments to State and local govern-  
3 ments based on fiscal year 2008 receipts under that Act.

4 **SEC. 232. ROYALTY-IN-KIND.**

5 Section 27 of the Outer Continental Shelf Lands Act  
6 (43 U.S.C. 1353) is amended as follows:

7 (1) By striking paragraph (3) of subsection (a)  
8 and inserting the following:

9 “(3) Title to any royalty or net profit share oil  
10 or gas from leases issued under this Act or the Min-  
11 eral Leasing Act may not be transferred by the Sec-  
12 retary to another Federal Government agency except  
13 by sale for cash at fair market value. If not pur-  
14 chased by another Federal Government agency, such  
15 oil and gas must be sold under subsections (b), (c),  
16 or (d). Proceeds from sales under this section shall  
17 be treated as offsetting receipts and shall be subject  
18 to any receipts sharing provisions applicable to the  
19 leases from which the in-kind royalty or net profit  
20 share production was produced in the same manner  
21 as if it had been paid in value. After payment of  
22 such shared receipts, the Secretary shall deposit the  
23 remainder of the receipts from sales into the Treas-  
24 ury of the United States and they shall be credited  
25 to miscellaneous receipts.”.

1           (2) In the first sentence of subsection (d) by  
2       striking “transferred” and inserting “sold”.

3   **SEC. 233. MANDATORY ISSUANCE OF REGULATIONS PRO-**  
4                   **MOTING PRODUCTION OF NATURAL GAS**  
5                   **FROM GAS HYDRATES.**

6       (a) IN GENERAL.—Section 353 of the Energy Policy  
7   Act of 2005 (42 U.S.C. 15909) is amended as follows:

8           (1) In subsection (b)(1) by striking “may” and  
9       inserting “shall”.

10          (2) In subsection (b)(3) in the first sentence by  
11       striking “if the Secretary determines that such roy-  
12       alty relief would encourage production”.

13          (3) By striking subsection (b)(4).

14       (b) REGULATIONS.—The Secretary shall issue the  
15   final regulations under such section not later than 180  
16   days after the date of enactment of this Act.

17   **SEC. 234. MANDATORY ISSUANCE OF REGULATIONS PRO-**  
18                   **MOTING ENHANCED OIL AND NATURAL GAS**  
19                   **PRODUCTION THROUGH CARBON DIOXIDE**  
20                   **INJECTION.**

21       (a) IN GENERAL.—Subsection (b)(1) of section 354  
22   of the Energy Policy Act of 2005 (42 U.S.C. 15910) is  
23   amended to read as follows:

24           “(1) IN GENERAL.—The Secretary shall under-  
25       take a rulemaking to provide for reduction of the

1 royalty under a Federal oil and gas lease that is an  
2 eligible lease.”.

3 (b) REGULATIONS.—The Secretary shall issue the  
4 final regulations under such section not later than 180  
5 days after the date of enactment of this Act.

6 **SEC. 235. CONSERVATION OF RESOURCES FEE FOR FUTURE**  
7 **ONSHORE NONPRODUCING OIL AND GAS**  
8 **LEASES.**

9 The Secretary of the Interior shall establish a con-  
10 servation of resources fee for nonproducing leases that will  
11 apply to all oil and gas, oil shale, tar sands, and coal leases  
12 issued under the Mineral Leasing Act (30 U.S.C. 181 et  
13 seq.) and the Mineral Leasing Act for Acquired Lands (30  
14 U.S.C. 351 et seq.) after the date of enactment of this  
15 Act. This fee shall be set at \$1.00 per acre per year for  
16 the first year of the lease and shall increase by \$1 per  
17 acre per year each year until the fee reaches \$5. The fee  
18 shall be paid annually until the lease enters production  
19 in paying quantities. This fee shall be treated as offsetting  
20 receipts. The sums generated by this fee shall not be sub-  
21 ject to any law providing for mandatory receipts sharing  
22 with States and shall be transferred by the Secretary of  
23 the Interior to the Treasury with one-third allocated to  
24 the account established by section 217, one-third allocated

1 to the account established by section 225, and one-third  
2 allocated to the account established by section 227.

3 **SEC. 236. OUTER CONTINENTAL SHELF CONSERVATION OF**  
4 **LIVING AND NONLIVING RESOURCES FEE ON**  
5 **LIQUID FUELS.**

6 Not later than 180 days after enactment of this Act,  
7 in order to fulfill his or her responsibilities for conserva-  
8 tion of the living and nonliving resources of the outer Con-  
9 tinental Shelf, for oil spill prevention and response, and  
10 for mitigation of any impacts on air and water resources  
11 by spills, trash, discharges, and other acts, the Secretary  
12 of the Interior shall establish by regulation a conservation  
13 of resources fee to be collected by the Secretary of the  
14 Treasury on all liquid fuels, including but not limited to  
15 crude oil, liquefied natural gas, petroleum products, and  
16 other liquid fuels, offloaded in the United States that  
17 originated from a location outside of the United States,  
18 its Exclusive Economic Zone, or its outer Continental  
19 Shelf. This fee shall be set at \$0.40 per barrel of oil equiv-  
20 alent and shall be treated as offsetting receipts. The Sec-  
21 retary of the Treasury shall collect the fee from the im-  
22 porter and deposit into the Freedom Fuels Fund estab-  
23 lished in the Treasury under section 227 of this Act such  
24 sums as the Secretary of the Interior determines is nec-  
25 essary to fully fund the programs, projects, and activities

1 funded by the Freedom Fuels Fund, and the Secretary  
2 of the Treasury shall deposit the balance into the miscella-  
3 neous receipts account in the Treasury.

4 **SEC. 237. OUTER CONTINENTAL SHELF DISCHARGES AND**  
5 **EMISSIONS.**

6 The Secretary of the Interior shall require that all  
7 operations related to oil and gas exploration, development,  
8 and production on the outer Continental Shelf utilize the  
9 best available and safest technology to minimize air emis-  
10 sions and discharges into the water, including but not lim-  
11 ited to drilling muds and fluids, unless the Minerals Man-  
12 agement Service Regional Supervisor determines that the  
13 interests of safety require such discharges or emissions.

14 **SEC. 238. OCS JOINT PERMITTING OFFICES.**

15 (a) ESTABLISHMENT.—The Secretary of the Interior  
16 (referred to in this section as the “Secretary”) shall estab-  
17 lish Federal OCS Joint Regional Permitting Offices (re-  
18 ferred to in this section as the “Regional Permitting Of-  
19 fices”).

20 (b) MEMORANDUM OF UNDERSTANDING.—Not later  
21 than 90 days after the date of enactment of this Act, the  
22 Secretary shall enter into a memorandum of under-  
23 standing for purposes of this section with—

24 (1) the Secretary of Commerce;

1           (2) the Administrator of the Environmental  
2       Protection Agency; and

3           (3) the Chief of Engineers.

4       (c) DESIGNATION OF QUALIFIED STAFF.—

5           (1) IN GENERAL.—Not later than 30 days after  
6       the date of the signing of the memorandum of un-  
7       derstanding under subsection (b), all Federal signa-  
8       tory parties shall assign to each of the Regional Per-  
9       mitting Offices identified in subsection (d) a suffi-  
10      cient number of employees with expertise to address  
11      the full spectrum of agency regulatory issues relat-  
12      ing to the Regional Permitting Office in which the  
13      employee is employed, including, as applicable, par-  
14      ticular expertise in—

15           (A) the consultations and the preparation  
16           of biological opinions under section 7 of the En-  
17           dangered Species Act of 1973 (16 U.S.C.  
18           1536);

19           (B) permits under section 404 of Federal  
20           Water Pollution Control Act (33 U.S.C. 1344);

21           (C) regulatory matters under the Clean Air  
22           Act (42 U.S.C. 7401 et seq.);

23           (D) the consultations and preparation of  
24           documents under the Marine Mammal Protec-  
25           tion Act of 1972 (16 U.S.C. 1361 et seq.); and

1 (E) the preparation of analyses under the  
2 National Environmental Policy Act of 1969 (42  
3 U.S.C. 4321 et seq.).

4 (2) DUTIES.—Each employee assigned under  
5 paragraph (1) shall—

6 (A) not later than 90 days after the date  
7 of assignment, report to the Minerals Manage-  
8 ment Service Regional Director in the Regional  
9 Permitting Office to which the employee is as-  
10 signed;

11 (B) be responsible for all issues relating to  
12 the jurisdiction of the home office or agency of  
13 the employee; and

14 (C) participate as part of the team of per-  
15 sonnel working on proposed energy projects,  
16 planning, and environmental analyses.

17 (d) REGIONAL PERMITTING OFFICES.—The fol-  
18 lowing Minerals Management Service Regional Head-  
19 quarters shall serve as the Regional Permitting Offices:

20 (1) Anchorage, Alaska.

21 (2) New Orleans, Louisiana.

22 (3) MMS Pacific Regional Headquarters.

23 (4) MMS Atlantic Regional Headquarters.

24 (e) REPORTS.—Not later than 3 years after the date  
25 of enactment of this Act, the Secretary shall submit to

1 Congress a report that outlines the results of the Regional  
2 Permitting Offices to date.

3 (f) TRANSFER OF FUNDS.—For the purposes of co-  
4 ordination and processing of oil and gas use authorizations  
5 on the Federal outer Continental Shelf under the adminis-  
6 tration of the Regional Permitting Offices identified in  
7 subsection (d), the Secretary may authorize the expendi-  
8 ture or transfer of such funds as are necessary, from the  
9 Funds established by sections 217 and 227 of this Act  
10 and from any other funds available to the Secretary, to—

11 (1) the United States Fish and Wildlife Service;

12 (2) the Bureau of Indian Affairs;

13 (3) the Environmental Protection Agency;

14 (4) the National Oceanic and Atmospheric Ad-  
15 ministration;

16 (5) the Corps of Engineers;

17 (6) the National Park Service; and

18 (7) the United States Geological Survey.

19 **SEC. 239. APPLICATION OF SECTION 307 OF THE COASTAL**  
20 **ZONE MANAGEMENT ACT OF 1972.**

21 (a) CERTAIN ACTIONS EXEMPT FROM CONSISTENCY  
22 REVIEW.—Section 307 of the Coastal Zone Management  
23 Act of 1972 (16 U.S.C. 1456) shall not apply to the fol-  
24 lowing:



1           (1) The following actions conducted under the  
2           authority of the Outer Continental Shelf Lands Act  
3           (43 U.S.C. 1331 et seq.), as amended by this Act:

4                   (A) Approval of the OCS 5-Year Oil and  
5                   Gas Leasing Program.

6                   (B) Rulemakings.

7                   (C) Granting or directing of lease suspen-  
8                   sions.

9                   (D) Issuance of permits to conduct seismic  
10                  activities.

11                  (E) Permission to conduct activities pre-  
12                  liminary to exploration drilling.

13                  (F) Unitization decisions.

14           (2) Approval of oil spill response plans under  
15           the Oil Pollution Act of 1990.

16           (b) APPLICATION OF CONSISTENCY TO LEASE SALES  
17           AND OTHER CONVEYANCES.—Only the Adjacent State, as  
18           defined in section 2(r) of the Outer Continental Shelf  
19           Lands Act, as amended by this Act, may assert the right  
20           for a consistency review under section 307 of the Coastal  
21           Zone Management Act of 1972 for lease sales, granting  
22           of rights-of-way, or other permissions to use and occupy  
23           the outer Continental Shelf for tracts wholly within 75  
24           statute miles of the coastline under the authority of the  
25           Outer Continental Shelf Lands Act. No State may assert

1 the right for a consistency review for these same activities  
2 on tracts partially or wholly beyond 75 miles from the  
3 coastline.

4 (c) APPLICATION OF CONSISTENCY TO EXPLORATION  
5 PLANS.—Section 307 of the Coastal Zone Management  
6 Act of 1972 shall only apply to actions on exploration  
7 plans under the authority of section 11 of the Outer Conti-  
8 nental Shelf Lands Act (43 U.S.C. 1340), and all other  
9 Federal permits necessary for their implementation, for  
10 leased tracts, or units if unitized, wholly within 35 miles  
11 of the coastline. Further, consistency review only applies  
12 to the first exploration plan per lease tract, or unit if unit-  
13 ized, and only the Adjacent State may review an explo-  
14 ration plan for consistency.

15 (d) APPLICATION OF CONSISTENCY TO DEVELOP-  
16 MENT AND PRODUCTION PLANS.—Section 307 of the  
17 Coastal Zone Management Act of 1972 shall only apply  
18 to actions on development and production plans under the  
19 authority of section 25 of the Outer Continental Shelf  
20 Lands Act (43 U.S.C. 1351), and all other Federal per-  
21 mits necessary for their implementation, as follows:

22 (1) FOR LEASED TRACTS, OR UNITS IF UNIT-  
23 IZED, WHOLLY WITHIN 75 MILES OF THE COAST-  
24 LINE.—For leased tracts, or units if unitized, wholly  
25 within 75 miles of the coastline, only the Adjacent

1 State and the State into which the oil or natural gas  
2 (or both) will be transported may review the develop-  
3 ment and production plan for consistency. The Adja-  
4 cent State may review the consistency of the entire  
5 project, and the State receiving the oil or natural  
6 gas (or both) may only review the transportation as-  
7 pects of the project outside of the leased tract, or  
8 unit if unitized.

9 (2) FOR LEASED TRACTS, OR UNITS IF UNIT-  
10 IZED, PARTIALLY OR WHOLLY BEYOND 75 MILES OF  
11 THE COASTLINE.—Development and production  
12 plans for leased tracts, or units if unitized, partially  
13 or wholly beyond 75 miles of the coastline are not  
14 subject to consistency review except by the State  
15 into which the oil or natural gas (or both) will be  
16 transported. That State may only review the trans-  
17 portation aspects of the project outside of the leased  
18 tract, or unit if unitized.

19 (e) DETERMINATION OF COMPLETENESS OF CON-  
20 SISTENCY CERTIFICATION.—The Secretary of the Interior  
21 has the authority to determine, for purposes of section 307  
22 of the Coastal Zone Management Act of 1972, whether  
23 a lessee, or group of lessees, has submitted a complete con-  
24 sistency certification, including necessary data and infor-  
25 mation, for exploration or development and production

1 plans proposed under the authority of the Outer Conti-  
2 nental Shelf Lands Act.

3 (f) STANDARD OF REVIEW.—Exploration or develop-  
4 ment and production plans proposed under the authority  
5 of the Outer Continental Shelf Lands Act shall only be  
6 reviewed for consistency under section 307 of the Coastal  
7 Zone Management Act of 1972 using the standard of  
8 whether it is reasonably foreseeable that activities to be  
9 conducted under the plan will directly cause significant ef-  
10 fects in the coastal zone of the reviewing State.

11 **SEC. 240. OIL SPILL RESPONSE PLANS.**

12 (a) REVIEW OF OIL SPILL RESPONSE PLAN APPROV-  
13 ALS.—Any action of the Secretary of the Interior to ap-  
14 prove oil spill response plans under the Oil Pollution Act  
15 of 1990 shall only be subject to judicial review under the  
16 provisions applicable to actions subject to section 23(c)(2)  
17 of the Outer Continental Shelf Lands Act (43 U.S.C.  
18 1349(c)(2)).

19 (b) ISSUANCE OF 5-YEAR OIL SPILL RESPONSE  
20 PLANS.—The Secretary of the Interior shall develop and  
21 issue 5-year oil spill response plans for each outer Conti-  
22 nental Shelf Planning Area upon request by a lessee or  
23 association of lessees.

1 **SEC. 241. CLEAN AIR ACT AND CLEAN WATER ACT.**

2 (a) DELEGATION OF AUTHORITY TO THE MINERALS  
3 MANAGEMENT SERVICE.—The Administrator of the Envi-  
4 ronmental Protection Agency shall delegate to the Min-  
5 erals Management Service the permitting and enforcement  
6 authority under the Clean Air Act (42 U.S.C. 7401 et  
7 seq.) and the Federal Water Pollution Control Act (33  
8 U.S.C. 1251 et seq.) for the Federal outer Continental  
9 Shelf for all activities conducted under the authority of  
10 the Outer Continental Shelf Lands Act (43 U.S.C. 1331  
11 et seq.). Because the Federal outer Continental Shelf is  
12 not a part of any State, the Minerals Management Service  
13 shall be treated no less favorably under these delegations  
14 than would the government of a State for these purposes.

15 (b) ISSUANCE OF AREA-WIDE PERMITS.—After re-  
16 ceiving the delegations under subsection (a), the Minerals  
17 Management Service shall issue 5-year area-wide permits  
18 under the Clean Air Act and Federal Water Pollution Con-  
19 trol Act for activities conducted under the authority of the  
20 Outer Continental Shelf Lands Act for each outer Conti-  
21 nental Shelf Planning Area upon request by a lessee or  
22 association of lessees.

23 **SEC. 242. RESOURCE ASSESSMENTS.**

24 Section 357 of the Energy Policy Act of 2005 (42  
25 U.S.C. 15912) is amended by adding at the end the fol-  
26 lowing:

1       “(c) OIL AND GAS RESOURCE ASSESSMENTS.—As  
2 discussed by the National Research Council in ‘Undis-  
3 covered Oil and Gas Resources: An Evaluation of the De-  
4 partment of the Interior’s 1989 Assessment Procedures’  
5 (1991), the Secretary of the Interior shall include in all  
6 future oil and natural gas resource assessments—

7               “(1) estimates of oil and natural gas from both  
8 conventional and unconventional sources;

9               “(2) estimates of in-place resources; and

10              “(3) estimates of technically recoverable re-  
11 sources, that assume the use of current and foresee-  
12 able technologies.

13       “(d) FULL CONSIDERATION.—In all future oil and  
14 natural gas resource assessments for the outer Conti-  
15 nental Shelf, the Secretary shall ensure full consideration  
16 of the data and findings generated by—

17              “(1) the National Petroleum Council;

18              “(2) the Deep Sea Drilling Program; and

19              “(3) the Ocean Drilling Program.

20       “(e) NEW NATIONAL ASSESSMENT.—The Secretary  
21 shall complete a new national assessment of oil and nat-  
22 ural gas resources within the United States and its exclu-  
23 sive economic zone within 24 months after the date of the  
24 enactment of SEACOR, and the Secretary shall renew  
25 that assessment at least every five years.

1       “(f) INITIAL NATIONAL RESEARCH COUNCIL RE-  
2 VIEW.—The National Research Council, with funding  
3 from the Departments of Energy and the Interior, shall  
4 within 24 months after the date of the enactment of  
5 SEACOR, complete the following:

6           “(1) Review and evaluate the methodologies of  
7 estimates by the Minerals Management Service and  
8 the United States Geological Survey regarding the  
9 quantity and chemical composition of potential hy-  
10 drocarbon resources within the United States and its  
11 exclusive economic zone.

12           “(2) Assess the adequacy and reliability of the  
13 existing scientific and technical information to make  
14 the following determinations in each subject and  
15 area under consideration:

16           “(A) What is known plus reasonable ex-  
17 trapolation accompanied by an expression of the  
18 error or uncertainty.

19           “(B) What information is missing and the  
20 reasons why (such as difficulty of measurement,  
21 confounding of data, lack of theory, or insuffi-  
22 cient time).

23           “(C) What information could be obtained  
24 with reasonable increments of investigative re-

1           sources (such as personnel, financial support,  
2           facilities, and time).

3       “(g) ADDITIONAL NATIONAL RESEARCH COUNCIL  
4 REVIEWS.—The National Research Council, with funding  
5 from the Departments of Energy and the Interior, shall  
6 conduct a review described in subsection (f) of each na-  
7 tional oil and gas resource assessment conducted by the  
8 Department of the Interior. Such review shall be com-  
9 pleted within 24 months after the issuance of the assess-  
10 ment.”.

○